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ABSTRACT

This guide, based on approaches for targeting jobs and business opportunities that were developed during the Targeted Jobs Demonstration Program (TJDP), contains strategies and techniques for ensuring that some of the benefits of economic development investments are directed to low-income individuals and small and minority businesses. Addressed in the three parts of the guide are the benefits of targeting; approaches to job targeting (sharing information and resources, joint incentive marketing, and hiring agreements); and targeting business opportunities for small, minority, and female-owned businesses (negotiating spin-off business opportunities and procurement policies). Each section discusses general approaches to targeting; gives examples from cities and counties that have applied the approaches described; and, where appropriate, includes copies of forms, plans, and local ordinances used to implement the strategies. Appended to the guide are a list of people to contact in the 14 TJDP communities and a list of TJDP evaluation reports. (MN)

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ECONOMIC DEVELOPMENT PROJECTS AND JOBS:

Lessons from the Targeted Jobs Demonstration Program

Carl Van Horn, Robert Beauregard, Michelle Lebovitz Lamar and David Ford

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Prepared for:

The TJDP Interagency Monitoring Board

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INTRODUCTION: TARGETING JOBS AND BUSINESS OPPORTUNITIES

Economic development programs offer an array of incentives to private firms in order to induce them to expand or locate in a particular community. Using such varied tools as low-interest loans, tax abatements, zoning variances, and technical assistance, publicly supported economic development measures seek public benefits, including more jobs, a larger tax base, and a more vital and diversified local economy. This guide contains a number of strategies and techniques for ensuring that some of the benefits from economic development investments are directed to the less advantaged segments of the community--low-income people and small and minority businesses.

THE TARGETED JOBS DEMONSTRATION PROGRAM

During the last two-years, we followed the progress of fourteen communities around the nation which experimented with a variety of approaches for targeting jobs and business opportunities. Their efforts, and our evaluation, were funded by the Targeted Jobs Demonstration Program (TJDP). TJDP was a two-year, six agency effort under which fourteen communities received approximately $200,000 each to encourage the local coordination of federal programs. (The sites selected to operate the demonstration are listed in an Appendix to this report.) The purpose of this coordination was very clear. According to the announcement in the May 15, 1979 Federal Register that solicited demonstration proposals nationwide, local projects were to be designed so that:

- "the maximum feasible number of jobs created under Federally-

assisted community and economic development and transportation projects go to economically disadvantaged persons who are eligible for assistance under the Comprehensive Employment and Training Act (CETA) program," and;

- "the maximum feasible number of spin-off business opportunities created under these projects go to small, minority, or community entrepreneurs."

Unlike previous demonstration efforts designed to build a general capacity for coordinating economic development and employment programs, TJDP would focus on specific, identifiable federal development projects. According to Judith May of the Department of Housing and Urban Development (DHUD), chair of the Interagency Monitoring Board, TJDP would demonstrate that "targeted and strategic local action can increase the likelihood that disadvantaged groups will realize...employment and business opportunities from major and unique Federally-assisted investments."

TJDP was operated under an interagency agreement among the U.S. Departments of Housing and Urban Development (as the lead agency), Labor, Transportation, Commerce (Economic Development Administration), the Small Business Administration, and the Community Services Administration. In order to document and analyze the TJDP experience, the Interagency Monitoring Board awarded an evaluation contract to Rutgers--The State University of New Jersey, after a competitive selection process. The evaluation had two principal goals:

- to assess TJDP's progress in all fourteen communities, and
- to disseminate useful information to TJDP grantees during the demonstration period and to other federal, state, and local officials at the end of the demonstration.

Our overall assessment of TJDP is contained in AN EVALUATION OF THE TARGETED JOBS DEMONSTRATION PROGRAM. In addition, we prepared Case Studies on each of the Demonstration sites. Copies of the evaluation report and the case studies can be obtained by writing to The Eagleton Institute of Politics at Rutgers University.

ECONOMIC DEVELOPMENT PROJECTS AND JOBS pulls together the important lessons of the TJDP experience so that other communities may learn from the efforts of the fourteen TJDP sites. While each community must develop its unique approach, we are convinced that the TJDP experience will stimulate ideas and help smooth the process of job and business targeting.

ORGANIZATION OF THE GUIDE

Each section of this guide discusses general approaches to targeting, gives examples from cities and counties that applied the approach we describe, and where appropriate, includes copies of forms, plans, and local ordinances used to implement the strategies. The guide is divided into three parts:

Part I: The Benefits of Targeting, lays out the central rationale for job and business targeting. In our view, and in the opinion of many TJDP participants, a targeting strategy not only benefits low-income people and small and minority businesses, but also benefits the broader community, private employers, and the administering agencies.

Part II: Approaches to Job Targeting, describes specific strategies and procedures for directing job opportunities from economic development projects to low-income, unemployed residents of the community. Several proven methods are discussed and a step by step outline for developing an effective strategy is presented.

Part III: Targeting Business Opportunities for Small, Minority, and Women-Owned Business, discusses methods for capturing spin-off business opportunities generated by economic development investments for targeted enterprises. Several successful approaches are covered and a strategy for implementing business targeting is outlined.

A NOTE TO THE READER

We are well aware that there is a big difference between talking and writing about job and business targeting and making it happen. What gives us confidence about the material presented in this guide is that it is based on the experiences of practitioners who made these strategies work in their communities. We hope that this guide will give you ideas for new and better approaches and guidance on how to bring them about. We know that only you can do the hard work that transforms plans into reality. We wish you the best of luck.

ACKNOWLEDGEMENTS

Rutgers University's evaluation of TJDP was jointly funded by the U.S. Departments of Housing and Urban Development (HUD), Labor, and Transportation, and the Small Business Administration, the Economic Development Administration of the U.S. Department of Commerce, and the Community Services Administration. The contract was issued to Rutgers University by HUD on behalf of an Interagency Monitoring Board composed of representatives from the six funding agencies. Judith V. May of HUD chaired this group which oversaw the TJDP evaluation and the grantees. Additional support came from the Eagleton Institute of Politics and the Center for Human Resources of Rutgers University.

The authors would like to express their appreciation to the people we talked with in the TJDP communities--many of whom are listed in an Appendix to this report, to our staff of field research associates who documented the TJDP experience, to Michael Hawkins of the Department of Urban Planning at Rutgers for assistance on the section about small and minority enterpreneurs, and to the members of the Interagency Monitoring Board, and especially its chairperson, Judith May of HUD.

The evaluation project was directed by Carl Van Horn, Director of the Center for State Politics and Public Policy at Eagleton. The project's Associate Director was David Ford, Associate Director of the Center for Human Resources. Michelle Lebovitz Lamar of Eagleton was the project's Assistant Director. Robert Beauregard, Associate Professor of Urban Planning at Rutgers was also a member of the central staff. The guide is based on the research conducted by the field research associates listed below. The project director assumes responsibility for the entire report.

Field Research Associates	TJDP Site Assignment(s)
Donald Baumer	Lynn, Massachusetts
Robert Beauregard	Philadelphia, Pennsylvania
Edward Dement	Wilmington, Delaware
David Ford	Portland, Maine and New York, New York
Grace Franklin	Portland, Oregon
Peter Kobrak	Genesee County, Michigan
Michelle Lamar	Paterson, New Jersey
Robert McPherson	Seattle, Washington
Patti Moeller	San Antonio, Texas
Randall Ripley	Milwaukee, Wisconsin
Donald Rosenthal	Buffalo/Erie County, New York
Ken Ryan	Montana-wide (Blackfeet Tribe)
Lance Smith	Metcalfe, Mississippi
Carl Van Horn	New York, New York

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PART I: THE BENEFITS OF TARGETING

Economic development agencies offer very attractive and powerful incentives and benefits to private firms. Federal, state, and local governments annually invest millions of dollars in subsidized low-interest loans and grants, in tax abatements and incentives, and in other forms of assistance. The avowed purpose of all these programs is to retain and create jobs, to improve and diversify the community's economy and to stabilize and strengthen the community's tax base. In return for public investments in economic development, government expects to obtain tangible public benefits. The Targeted Jobs Demonstration Program (TJDP) was designed to capture some of these public benefits for the least advantaged segments of the community--low-income, unemployed residents, and small, minority, and women-owned enterprises.

Despite the enormous investment in economic development programs, these disadvantaged groups have tended to receive few benefits. For example, a study of the Urban Development Action Grant (UDAG) program by the U.S. Department of Housing and Urban Development found that only one in ten of the new permanent jobs created are filled by people who qualified for assistance under the Comprehensive Employment and Training Act. Even though UDAGs were designed to aid low-income people in distressed communities, few who obtain jobs come from the ranks of the economically disadvantaged and long-term unemployed. Speaking about his experience on the Blackfeet Indian Reservation, John Monroe, the assistant director of TJDP there, described his frustration with the flow of benefits from economic development projects:

> Millions of dollars are spent annually from federally funded construction projects in all of the seven reservations in Montana. Indians obtain only a small portion of these jobs, contracts, and subcontracts. The reason has been lack of skills training and

> experience which results in an unemployment rate that varies from 40 percent to 60 percent.

While the Blackfeet Tribe's problems are more severe than those found elsewhere, the pattern of benefit distribution is typical. In order to promote a more equitable distribution of the benefits from economic development projects, TJDP's founders argued that local agencies ought to develop strategies that would direct a greater number of jobs and business opportunities to targeted individuals and businesses.

Over the last decade, more than $60 billion have been spent on federal employment and training programs to prepare the unskilled and poorly educated for jobs in the private sector. Seldom, however, are the graduates of these federally-funded training programs placed in private sector jobs produced through public economic development investments. TJDP's designers hoped that linking employment and training programs with economic development projects would help the clients of these programs obtain access to private sector job opportunities.

While the central rationale for job and business targeting is <u>equity</u>, the central concept underlying targeting strategies is <u>leverage</u>. Emily Colbert, Director of Lynn, Massachusetts' TJDP effort commented on the importance of connecting the clients of employment and training programs with economic development incentives:

> In the beginning, I would go in to a firm and say, 'Hi, this is TJDP; this is what we do; we would like you to hire disadvantaged people.' This approach simply did not work. The employer never contacted us. What is important is that we now have financial leverage, that we are associated with the Office of Economic Development and that I go into meetings with a company's loan paperwork right in front of us.

Because economic development agencies and programs offer appealing incentives to private firms, the provision of aid can be used as a lever to help the

community's unemployed population and its small, minority, and women-owned businesses obtain greater benefits. All economic development assistance is given conditionally. Firms are required to agree, for example, to repay their loans, to hire a certain number of people, to locate in a certain neighborhood and so on. Job and business targeting objectives add other conditions to the list--aid will only be given to private employers who help targeted groups. If the firm is unwilling to accept the conditions of governmental assistance, then they will not receive it.

In summary, the strategies and techniques discussed in this guide are intended to direct some of the benefits of economic development projects to economically disadvantaged people and small and minority businesses. Job and business targeting is intended to help economic development and employment and training agencies fulfill their missions and their commitments to their community's welfare. Targeting is a tangible and viable policy that public and private sector representatives can agree to pursue jointly, in order to improve the overall economic prospects of their community and its residents.

Although the central purpose of job and business targeting is to benefit the target groups, employers and local agencies benefit too:

Employers benefit from targeting by gaining

- access to a labor pool;
- training for their workforce; and,
- subsidies for training and wages.

Access to a Labor Pool. Most employers find it difficult and costly to identify qualified workers who meet their needs. An effective employment and training agency can help businesses by providing a stable and inexpensive source for identifying qualified workers. Employment and training agencies

can also help identify a supply of skilled workers in a community when firms are making plant or business location decisions.

Training. If skilled workers are not available or if a company's workforce needs to be retrained, employment and training agencies can provide assistance. So-called "customized training programs" can be established for a particular industry or industrial grouping, such as electronics, or training programs to help the firm upgrade its current workforce can be established.

Financial Assistance. The costs of training, retraining, and hiring workers can be substantially defrayed by government-financed employment and training programs and by government tax credits. Employment and training programs can be particularly helpful to firms undergoing expansion when their ability to meet the payroll is strained most severely.

Economic Development Agencies benefit from targeting by

- obtaining more accurate estimates of jobs created by economic development investments and therefore greater accountability

More Accurate Job Projections. Private firms and economic development agencies are sometimes accused of inflating the number of jobs that are supposed to be created by the firms receiving assistance. Even if these figures are not inflated, it is extremely difficult to develop accurate projections based solely on the projections supplied by the private firm. The fact that the job estimates may be suspect makes it more difficult to chose from among competing applications. Employment and training professionals can usefully lend their expertise about the relationship between capital investment and employment growth to help the economic development agency evaluate and select proposals.

Through TJDP, economic development agencies improved their ability to assess applications from private firms. Andrew Gordon, a Private Industry Council staffer assigned to the city's Economic Capital Corporation reflected on New York City's progress in this ares.

> One thing that I feel very good about is that the employment figures being determined for projects receiving economic development assistance are now more realistic. Future employment is seriously looked at and deliberate employment decisions are being made by employers. In the past figures were thrown into an application without any regard for reality.

Program Accountability. Employment and training agencies can also help economic development agencies assess the value of their investments by monitoring the actual number of jobs created over time. Such a procedure enhances the ability of the economic development agency to evaluate its own programs and helps them become more sophisticated in projecting jobs to be created.

Employment and Training Agencies Benefit by

- identifying job opportunities
- elevating the value of employment programs

Identifying Job Opportunities. Despite years of governmentally-sponsored programs for the unemployed, most employers are still unaware that such services exist. Economic development agencies identify new sources for placing their clients. Information on expanding firms in the community can also help the employment and training agency develop new training programs to meet emerging needs in the private sector.

Elevating the Value of Employment Programs. Unfortunately, many employers who have opinions about employment and training programs may have a very negative image of them. In contrast, economic development agencies

usually enjoy a positive reputation in the business community and among political officials. The image of the employment and training agency is likely, therefore, to be enhanced in the private sector and in the political community by its association with economic development agencies. Employment and training programs and clients can be better "marketed" to the private sector under the auspicies of an overall economic development/employment and training package.

Targeting Can Make a Community More Competitive by

- offering a more attractive "mix" of incentives to the private sector

A Comprehensive Package of Incentives. Most cities, counties, and states offer similar economic development incentives to firms considering moving to their communities, but few systematically include employment and training services as part of their overall development plans. Yet, employers consistently cite the need for qualified labor as a central determinent of location and relocation decisions. Cities or counties may become more competitive in their attempts to attract and/or retain businesses if they are able to offer both economic development and employment and training benefits in one package.

GETTING STARTED: A COMMITMENT TO JOB AND BUSINESS TARGETING

Before moving on in Part II and III, where we describe approaches to targeting and specific steps to implement them, let's consider how you can get started. Regardless of the approach you chose, it is important to begin your effort by building support for the value of targeting jobs and business opportunities. There are many benefits to be derived from targeting, but you may have to overcome other people's resistance to change their way of doing things. The best way to make sure that your strategy

gets off the ground and makes progress is to consult widely within your community before making any firm plans. It is essential that your effort be supported by political officials, by employment and training and economic development agency staff, and by the community at large.

Political Support. The support of key elected officials and senior appointed officials is indispensable. Support from elected officials legitimizes the targeting effort and will help you overcome opposition from others who are reluctant to alter standard operating procedures. Political support can be garnered in a variety of formal and informal ways. Executive orders, council resolutions, policy statements in planning documents all provide formal opportunities for elected officials to endorse targeting strategies. More important, however, are the informal communications between elected officials and department heads and community leaders. What this means, of course, is that you and others who want to initiate new strategies for job and business targeting must devote considerable effort to informing elected officials about the benefits of your proposed approach and to gaining their formal and informal support for the effort.

It's impossible for us to tell you how to build political support in your community (and presumptious as well). If the arguments and examples that we cite in this guide and those you assemble are not sufficient to convince your elected officials, suggest a pilot or trial period during which you can experiment with some new procedures, or encourage your mayor or county executives to contact elected officials in other communities where successful targeting strategies are already underway. Once new initiatives are underway, you can use "success stories" to help reinforce

the value of the program. Elected officials naturally like to hear from satisfied individuals in the private sector and in the community. Make sure that your elected officials know about it when you are successful; you can be sure he or she will know about it when you aren't.

Organizational Support. A targeting strategy will only work effectively if senior administrators are also committed to its success and assign appropriate personnel to carry it out. Just as support from elected officials is important so too must you gain assistance from your colleagues and from other agencies involved in the strategy. Even if the political leadership of a community supports targeting, hostile or uninterested agency administrators can scuttle a program initiative by dragging their feet or by giving it a low priority. Perhaps the best way to ensure that this does not happen is to involve representatives from all employment and training and economic development agencies from the very beginning. People in your agency and in other agencies are much more likely to take the targeting effort seriously and try hard to make it work when they have a stake in the outcomes and feel that they participated in its development.

Beyond lending rhetorical support, senior administrators should assign experienced professional staff members to the targeting effort. Any new initiative is bound to involve delicate and difficult tasks. Those involved in the targeting effort should be knowledgeable about and sensitive to both employment and training and economic development issues. People chosen to participate in targeting strategies should be good ambassadors for their agencies and its clientele and effective advocates for job and business targeting. Finally, staff should be skilled negotiators and

brokers. In short, the best available staff should be selected to pioneer new targeting strategies. Job and business targeting, especially in its initial stages, cannot be treated as a routine administrative function.

Community Support. Finally, some thoughts about the importance of groups and organizations outside government should be mentioned. The central goal of any targeting strategy is to better equip local government to help the community prosper. Your community's business associations, financial institutions, neighborhood organizations, unions, and educational institutions must be involved in your targeting effort. Following a survey of job targeting strategies in several cities, John Alschuler of the Hartford Policy Center concluded:

> The leverage mechanisms that we looked at...were successful only if they were based on long and careful hard work in building a political consensus within the corporate community. City Hall simply does not have the unilateral power, no matter how great its leveraging tools are.

You should let various community organizations know about the advantages of linking economic development and employment and training programs and ask their opinions about what strategy would best serve your community's needs. These groups can be powerful allies in getting a new initiative underway and in making it effective.

PART II: APPROACHES TO JOB TARGETING

Rutgers University's evaluation of the Targeted Jobs Demonstration program documents the potential utility of a job targeting strategy for other cities and counties. Job targeting strategies can be very effective in helping low-income people attain productive employment. The notable successes of some TJDP communities demonstrates that job targeting represents an innovative and effective approach for directing jobs to the economically disadvantaged.

Whether the positive experiences of other communities can be replicated elsewhere is dependent on the will and capacity of the community. To initiate a job targeting strategy, strong support must come from high up in the government hierarchy. The Mayor, County Executive, or other chief elected official, and preferably other elected officials, must be strong supporters, spur coordination among agencies, and continue their support.

Once the will to undertake a job targeting strategy exists, its success rests with the ability of economic development and employment and training agencies to deliver on their commitments. Because job targeting is typically a drawn-out process, it requires continuous attention and nurturing by staff. Job targeting takes a lot of work, personal commitment, and energy. It also requires economic development project money and employment and training agency funds. Strong performance by the employment and training partner is especially important. Indeed, job targeting strategies are not likely to work unless the agencies responsible for implementation already operate relatively effective traditional employment and training and economic development programs. It is a strategy more suited to a mature and well functioning agency than to one plagued with mundane administrative problems.

mundane administrative problems.

APPROACHES TO TARGETING JOB OPPORTUNITIES

During our evaluation of TJDP, we observed many useful approaches to helping the economically disadvantaged obtain jobs from economic development projects. In this section of the guide, we present three general approaches that you can adapt to your community's special circumstances. For each approach, we briefly describe how it operates, providing illustrations from the TJDP experience, and include detailed procedures and examples of appropriate documents that may be required to implement them.

The three general approaches to job targeting are:

1. Sharing Information and Resources

   Economic development and employment and training agencies can only accomplish job targeting if they assist one another by exchanging information and eventually resources. Sharing information is a necessary first step on the road to an effective job targeting strategy.

2. Joint Incentive Marketing

   Economic development and employment and training agencies can help low-income people obtain jobs from economic development projects by jointly marketing their programs to private firms and by seeking good faith commitments from private employers to hire the disadvantaged.

3. Hiring Agreements

   Economic development assistance can also be used as a lever to direct jobs from private sector firms conducting economic development projects to low-income, unemployed individuals. Under this approach, economic development and employment and training agencies go beyond marketing their services and require legally binding contracts with private firms that commit them to hire low-income individuals.

You may want to try a few of the ideas suggested here or undertake elements of all three strategies. In our view, most, if not all, communi-

ties should begin by sharing information between economic development and employment and training agencies. Beyond this step, you will want to carefully consider whether it makes sense locally to follow a Joint Incentive approach or a Hiring Agreement approach. Both have advantages and disadvantages, as discussed below. Importantly, however, all the approaches described below were regarded by practitioners in the TJDP communities as helpful for achieving the goal of job targeting.

1. Sharing Information and Resources

The idea behind this approach is straightforward: economic development agencies and employment and training agencies can promote job targeting by sharing information. Because this approach is relatively simple, we shall not spend a great deal of time discussing it, but we do want to emphasize that it is a necessary initial step in linking employment and training and economic development agencies and can lead to more advanced forms of job targeting.

What kinds of information can agencies share? Agencies from the two sectors possess unique information on those they serve--whether they are business people or unemployed individuals--that may be helpful in planning new initiatives, or altering current practices. For instance, economic development agencies often conduct surveys in order to determine which sectors of the local economy are expanding, stagnating, or declining. This is helpful for planning economic revitalization and stabilization strategies. Such information can also be effectively put to use by employment and training agencies when they plan new training programs and review the qualifications of their current client population. Employment and training agencies also have knowledge that could benefit economic development programs. Employment and training agencies are familiar with the composition of the local workforce and the governmental and private institutions that train and retrain workers. Economic development agencies may be able to use such information to attract new industrial or commercial development to the community by advertising the availability of trained workers in a given field.

Information held by employment and training and economic development agencies can also be used in a more immediate sense. Employment and training agencies can develop leads for possible job placement or customized training opportunities by regularly contacting economic development staff; economic development agencies may be able to help a company thinking about leaving the community remain by identifying a supply of competent workers for the firm.

STEPS TO ACCOMPLISH INFORMATION SHARING

In evaluating the fourteen TJDP sites, we found that there were three rather simple approaches used to ensure that staff from both employment and training agencies and economic development agencies exchange information--leads, tips and ideas:

- Periodic Staff Meetings
- Interdepartmental Coordinating Committees or Appointments to Existing Committees
- Exchanging or Co-Locating Staff

MEETINGS

One of the best and simplest methods to make sure that agencies inform one another about important developments and plans is to schedule regular meetings between key staff members of the various agencies involved in economic development and employment and training. The type of meeting you hold and the people that attend them will differ from community to community; the important point is to make sure that the agencies regularly touch base with one another.

> *Paterson, New Jersey: The meetings of the Paterson Private Industry Council served as a forum for staff from the Employment and Training Administration, the Department of Community Development, and the TJDP project to learn of each other's ongoing programs. Business persons serving on the PIC Board contributed the private sector's perspective of the City's plans.*

COMMITTEES

Establishing a formal coordinating committee as a permanent group is another approach for making sure that information is passed around agencies. Such a committee can also be established on a temporary basis whereby all interested parties agree to meet until a system of regular information exchange is institutionalized.

> *Lynn, Massachusetts: An inter-agency coordinating council was formed between the Office of Economic Development (OED), the local CETA prime Sponsor, the state Employment Service, and other smaller employment, training and social service agencies in the City. OED staff, who administered grant and loan programs for private firms, also explored employment needs with their applicants. The staff passed this information along to employment and training agencies at the council's regular meetings; and, these agencies worked out a strategy for assisting each employer.*

Whether or not a formal coordinating committee is established, it is vital that the memberships of existing advisory committees contain representatives of both economic development and employment and training agencies. Economic Development professionals should be invited to serve on Private Industry Councils and employment and training staff should be put on economic development advisory committees.

Portland, Oregon: As part of their overall strategy for bringing agencies closer together, the Director of the Portland's lead economic development agency was appointed to the executive committee of the Private Industry Council; the staff director of the PIC was placed on the economic development agency's board. All participants agreed that broadening advisory committee membership was vital to improved relationships between the agencies.

STAFF

Perhaps the best way to promote the exchange of information is to station economic development and employment and training staff in each other's agencies or to locate the staffs of the two organizations together.

New York City: A PIC staff person was located at the Public Development Corporation (which handles the City's real estate holdings and industrial parks) and at the Economic Capital Corporation (which administers the UDAGs and the revolving loan program funds.) These PIC staffers were able to make positive connections with their host agency's projects by contributing to the work of the agency and by continually bringing an employment and training perspective to their new colleagues and the agencies' clients.

2. Joint Incentive Marketing

The purpose of a joint incentive approach is to package employment and training services, such as classroom training, with economic development incentives, such as low-interest loans or tax abatements, in order to induce private employers to hire low-income individuals referred by Private Industry Councils or other employment and training agencies.

Through a joint marketing approach, complementary program incentives and services are joined together, enabling economic development and employment and training agencies to address both the financial and human capital needs of business. Private firms are offered a complete set of services at one time, by one agency. The employment and training agency is given an access point for helping the unemployed obtain jobs with firms assisted by the economic development agency.

The procedures outlined in the section on Information Sharing are helpful for developing a joint incentive marketing approach--regular staff meetings, exchange of staff, and creation of coordinating committees and joint membership on advisory bodies. The essential difference with this approach, however, is that agencies must work together on projects and coordinate their activities sufficiently so that they deliver their services and explain them to business people at the same time. Consequently, more formal procedures for integrating the work of the employment and training agency and the economic development agency will probably be required.

Memoranda of Understanding Between Agencies. In some communities, negotiating a Memorandum of Understanding between the participating agencies may be a useful initial step toward developing joint incentive approaches that will link economic development and employment and training agencies in a job targeting strategy. Merely drafting such a Memorandum can be

educational because those who participate learn about the missions and responsibilities of other agencies. These agreements can be brief, general statements about cooperation between two agencies or rather lengthy documents that detail specific responsibilities and procedures among a multitude of departments.

New York City. An example of a very general Memorandum of Understanding is the one developed in New York City (See Attachment II-A). It identifies the organizations that will participate in joint incentive marketing--the Private Industry Council, the Office of Economic Development, the Public Development Corporation and so on--and briefly describes their responsibilities. Dan Donovan, Vice President of the Private Industry Council in New York City explains why the PIC initially opted for such a general approach and why, with hindsight, he feels they should have been a bit more specific:

> Prior to TJDP, the PIC had already begun to work with City economic development agencies on an ad hoc basis. What TJDP enabled us to do was to begin to put in place some formal relationships between PIC (and through PIC to the rest of the CETA system) and these agencies that were working with the private sector to help businesses in getting various types of federal economic development assistance.
>
> As a consequence, we negotiated a Memorandum of Understanding which involved the Office of Economic Development, the Housing and Preservation Department, the Public Development Corporation, which is involved in providing real estate, the CETA Prime Sponsor, the Office of Minority Businesses, and a new corporation--the Economic Capital Corporation.
>
> The Memorandum was originally drawn very vaguely, so that agencies could sign-off quickly and not feel threatened by it. If I had to do it over again, we would attempt to go through a more protracted and possibly painful process and make the Understanding just a bit more specific as to what we could expect in the way of cooperation and specific tasks. In that way, the TJDP staff and ultimately the PIC staff would have a little easier time in trying to make sense out of the potential job creations and timetables of the various projects.

An example of a much more detailed approach is embodied in the Memorandum of Understanding worked out between the employment and training and economic development

agencies in Seattle, Washington (See Attachment II-B). This Memorandum details specific responsibilities for each agency.

Although a Memorandum of Understanding is an important first step toward targeting jobs from economic development projects, it is not sufficient. In some TJDP sites, even though a Memorandum was successfully negotiated, a targeting program was never fully implemented because an ongoing strategy for day-to-day operations was never developed. Memoranda provide the basis upon which to develop a joint incentive marketing strategy.

A Strategy for Joint Incentive Marketing

What are the elements that must be brought together to form an effective job targeting strategy by jointly marketing economic development and employment and training programs? Based on our two-year examination of fourteen communities there seem to be four major steps that must be accomplished:

1. *The development of specific agency procedures and staff responsibilities;*

2. *Early, direct, and detailed discussions between employers, economic development staff, and employment and training staff;*

3. *Careful employee screening and timely referrals to private firms; and,*

4. *Monitoring procedures that allow the agencies to track the progress of the private firms and to assess their own performance.*

Each of these elements of an effective marketing strategy will be discussed below and followed by an illustration of how New York City--one of the more successful TJDP sites--implemented its strategy.

STEP 1. AGENCY PROCEDURES AND STAFF RESPONSIBILITIES

In order to have an effective approach for delivering their services, economic development and employment and training agencies need concrete procedures for implementing day-to-day tasks.

When a private firm contacts an economic development agency seeking low-interest loans or grants, procedures for connecting the employment and

training agency with the employer must be in place. Specific individuals at both the economic development agency and at the employment and training agency must be responsible for contacting the private firm. These guidelines are simple and straightforward, but they must be clearly and firmly established before a joint incentive strategy will work.

STEP 2. EARLY, DIRECT AND DETAILED DISCUSSIONS BETWEEN EMPLOYERS, ECONOMIC DEVELOPMENT STAFF AND EMPLOYMENT AND TRAINING STAFF

In addition to establishing systematic procedures for joint marketing, it is essential that the private firm seeking economic development assistance be contacted early in the process so that the receipt of aid and the discussion of employment and training programs are directly linked with one another.

The provision of low-interest loans, grants, and other public assistance should be discussed at the same time that employment and training programs are described. Otherwise, private firms may be encouraged to treat the employment and training programs lightly. Agencies that train and refer economically disadvantaged clients to the private firm should be directly engaged in the discussions with the principals of the firms. Representatives of employment and training agencies should be there to describe the characteristics of the agency's client population, explain their services and so that they fully understand the needs of the employer. During the discussions they should review the employment needs of the business and agree on accurate and realistic projections of the number, types, and timing of jobs that will be created through the economic development investment.

Typically, under a joint incentive marketing approach, the employer will not be required to commit himself or herself to hiring a specific number of individuals, but rather will be asked to use the employment and training agency as a principal source for recruiting employees. Unlike Hiring Agreements, (discussed in the next section) where the employer and the city

or county enter into a legally binding contract, here the employer may be asked to make a "good faith" effort to hire the people referred by the employment and training agency. Even though discussions with the employers may not lead to a firm commitment to hire low-income people they may make businesses more aware of and receptive to training programs and the individuals served by the agency. Regardless of how they are actually worded, it is important that the agreement between the agency and the private firms be carefully discussed and clearly understood. Each party should understand what it has committed to and when it will be expected to deliver.

STEP 3. CAREFUL EMPLOYEE SCREENING AND TIMELY REFERRALS

All the effort put into contacting private firms and discussing job opportunities will be wasted if the employment and training agency does not deliver on its part of the agreement.

When employers request workers, the agency must supply an adequate number of qualified applicants in a timely manner. Hiring decisions rest with the employer; the agencies must supply people that meet the minimum specifications of the private firm. The importance of doing a good job of screening potential employees cannot be overestimated. In the course of our evaluation we interviewed over 130 employers--nearly half cited the value of screening and referral services as the principal benefit that they obtained from employment and training agencies. Several comments made by employers to our research staff elaborate on this theme:

- It's difficult to find good people. TJDP provides a source of steady reliable referrals (Lynn, Massachusetts).
- The PIC reduced the time and hassle associated with recruiting qualified workers and kept paperwork to a minimum (New York City).
- The PIC staff did all the screening for appointments and checked out applicants's physical ability and qualifications (Portland, Oregon).

Interestingly, less than a fourth received wage or tax subsidies for hiring people and only a few mentioned these inducements as important benefits. Instead, employers emphasized the importance of having a new and reliable source of qualified employees.

STEP 4. MONITORING PROCEDURES THAT ALLOW THE AGENCIES TO TRACK THE PROGRESS OF THE PRIVATE FIRMS AND TO ASSESS PERFORMANCE

There are two important reasons for having a good monitoring procedure.

> *First, the government agency responsible for supplying trained personnel or referring workers should monitor the progress of the economic development project and the private employers who have agreed to use the PIC or other employment and training agency as a source for new employees, so that they can determine when to make referrals.*
>
> *Second, monitoring is important to assess the performance of the employment and training agency and the firm. Monitoring allows the employment and training agency to determine what problems, if any, the firms are having with the people referred to them. Misunderstandings about the types of people required by the firm can then be corrected.*

Ongoing monitoring also allows the economic development agency and the employment and training staff to assess the accuracy of their job creation estimates. Carl Chavez of the Milwaukee TJDP project pointed to the problem of inaccurate job estimates on economic development projects:

> I think what happened with many economic development projects in the past was that we began with numbers on paper. In other words, an application for funding or an employment plan would state that this many jobs would be created. However, when we looked closely at the project and the outcome in terms of people employed, the original numbers simply were not there.

If the firm is falling well below its original projections for the number of jobs that should be created, then perhaps the agency's projections were poorly developed. Or, perhaps the firm needs management assistance to help it through a difficult business cycle. In short, regular feedback can help city or county agencies develop and improve on their services and on the actual number of jobs created through economic development investments.

NEW YORK CITY'S JOB TARGETING STRATEGY

The New York City TJDP experience provides a good illustration of *a joint incentive marketing strategy....*

Agencies Involved

New York City Private Industry Council (PIC).....Administered TJDP grant

Economic Capital Corporation (ECC).....Administered NYC's UDAGs and revolving loan fund programs

Agency Procedures and Staff Responsibilities

A PIC staff member was assigned to work full time on the staff of the ECC. His responsibilities were to contact firms seeking economic development assistance, offer them employment and training incentives (including on-the-job training contracts, tax credits, and customized training programs) and develop job opportunities for the PIC's clientle. ECC senior staff required that he participate in all discussions with private employers along with economic development staff. He described his role with the ECC in the following fashion: "Essentially, I am considered a staple to the application. When the ECC gets an application, I go with it...I am out there in the business community."

Early, Direct and Detailed Discussions

The ECC arranged for direct and early contact between a firm applying for assistance and the PIC's representative. The objective of these meetings was to develop "good faith" agreements whereby the employer would agree to utilize the services of the PIC and the people referred by it. The process for reaching these agreements followed several stages:

1. Initial Contact — Early in application process, PIC would discuss ECC's employment objectives with the employer and would offer to help develop a plan for the firm's anticipated growth.

2. Site Visit — ECC staff and PIC representative would make an on-site visit to the firm.

3. Job Projections — All three parties would jointly develop an estimate of the number and timing of jobs to be created. This estimate was based on a review of the employer's past employment trends, seasonal variations in production and a profile of job characteristics including skill level and attrition. Standard formulas for determining the number of jobs to be produced relative to sales volume and square footage were also used.

4. "Good Faith" Agreements — In most cases it was deemed appropriate to ask the employer to sign an agreement that pledged the company to use the PIC as a primary source for new hires for an agreed upon number and/or type of jobs. In some cases, such as where an employer had a standing collective bargain-agreement with a union, an agreement would be inappropriate.

5. Employment and Training Incentives — Whether or not an agreement was signed, the full range of employment and training benefits were discussed including recruitment, screening assistance, training programs, wage and tax subsidies.

6. Loan Closing — When the loan was closed--which could be several months later--the loan documents signed by the employer included the language agreed upon during the previous discussions, specifying the number and types of employees to be hired and perhaps an arrangement for reserving some jobs for the PIC's clientele. Services to be provided by the PIC to the employer were also outlined.

Monitoring Procedures

Because the ECC felt that it lacked detailed information on the performance of loan and grant recipients, it established a Loan Administration and Employment Services Unit upon completion of TJDP. In addition to making job projections and discussing employment and training services with loan applicants, the staff of this unit regulary monitors the creation of jobs at businesses assisted by the agency. Information obtained through monitoring is used to develop training programs and employee referrals, and to refine the job estimation process so that more sophisticated job projections can be made in the future. Also, if a firm is having trouble fulfilling its agreement, the unit can either directly provide or arrange for technical assistance.

Advantages and Disadvantages of Joint Incentive Marketing

Joint incentive marketing strategies have several appealing features. Employers are offered a comprehensive range of public assistance for both financial and employment needs at one time. The economic development agency is able to develop more accurate and reliable job estimates on economic development projects and to enrich the services available to firms wishing to expand or relocate in their community. Employment and training agencies are given timely access to firms that are expecting to grow and their low-income clients are linked with attractive economic development incentives.

The principal disadvantage of the joint incentive marketing approach is that it contains no method for ensuring that marketing efforts result in jobs for unemployed and low-income individuals. In a sense its main advantage--the fact that employment and training programs and employee screening are offered as a service and not imposed as a requirement--is also its main disadvantage--the private firm is not obligated to hire people referred by the employment and training agency. The Hiring Agreement approach, described in the following section, is designed to overcome this shortcoming. If your community's leaders are not willing to approve a strategy that contains legally-binding Hiring Agreements, however, the joint incentive marketing approach provides an appealing strategy for targeting jobs from economic development projects.

3. Hiring Agreements

Under this approach , the provision of economic development aid is used as an instrument to lever job opportunities for low-income, unemployed individuals. Economic development and employment and training agencies obtain a legally binding commitment from employers that they will hire employment and training clients. The hiring agreement is a condition for the receipt of economic development assistance. The agreement usually requires that the firm use the employment and training agency as its first source for the jobs agreed to during the negotiations.

Is a mandated hiring agreement necessary? In our opinion it is certainly preferable and probably necessary. Private employers who benefit from publicly subsidized low-interest loans, tax abatements, or other forms of governmental aid ought to be expected to reserve a substantial portion of the entry-level jobs created by those investments for the disadvantaged and long-term unemployed residents of their communities. Such a policy is justified because it enhances the value of the government investment by helping people who would otherwise be dependent on governmental assistance and placing them in productive jobs. Mandated hiring agreements require private developers who receive special assistance to return that favor to their community's disadvantaged citizens.

Without a firm policy that requires hiring agreements as a condition for the receipt of economic development assistance, private employers will initially be reluctant to hire low-income people with limited education and work experience. Yet, the overwhelming majority of employers who signed hiring agreements in Portland, Oregon were satisfied with the services they received from the employment and training agencies and, more importantly, with the people referred to them.

While hiring agrreements should be required, they should be flexibly administered. Not every economic development project produces jobs that are suitable for people with limited education and skills. Governmental

agencies should negotiate with employers about the types of jobs that will be covered by the hiring agreement. Employers should always retain final hiring authority. The amount of time alloted to fulfilling the agreement should be generous.

Is a mandated hiring agreement legal? We will not presume to set ourselves up as official arbiters on the legality of locally imposed hiring rules, but the evidence thus far from court cases indicates that they are indeed constitutionally sound. In a recent Supreme Court ruling, White v. Massachusetts Council (No. 81-1003), the court ruled by a vote of 7-2 that Mayor Kevin White's Executive order requiring construction companies conducting public works projects to fill at least half of the jobs with Boston residents was not an unconstitutional burden on interstate commerce. Moreover, all the justices agreed that cities could properly insist on local preference for contracts let under various federal urban renewal and economic development programs.

This section of the report reviews the steps necessary to implement hiring agreements and provides a thorough case study of how Portland, Oregon's First Source Agreement strategy works.

Designing a Hiring Agreement Strategy

The hiring agreement concept builds on the two strategies already discussed above. Because it is more complex and demanding, however, it requires a more elaborate strategy for implementation. In general five important elements must be brought together in order to have an effective hiring agreement strategy:

1. *a job targeting policy;*
2. *supportive agency procedures;*
3. *early, direct, and detailed negotiations with employers that produce specific hiring agreements;*

4. *careful employee screening and timely referrals;*

5. *monitoring procedures and enforcement mechanisms.*

There are many similarities between the joint incentive marketing strategy outlined above and the hiring agreement strategy. Each of the five steps for an effective hiring agreement strategy will be discusses below, emphasizing the differences between the hiring agreement approach and the joint incentive marketing strategy.

STEP 1. A JOB TARGETING POLICY

> *In order to have a successful strategy, a community should develop policy statements that require private firms receiving economic development assistance to enter into hiring agreements with the city or county economic development and employment and training agency.*

Unlike joint incentive marketing strategies which can be handled informally, a hiring agreement obligates employers receiving economic development assistance to undertake certain actions. Consequently, hiring agreements require the formal endorsement of the community's chief elected officials.

STEP 2. SUPPORTIVE AGENCY PROCEDURES

> *Regardless of the type of policy statement adopted by the community's elected officials and policy-making bodies, economic development and employment and training agencies will have to develop concrete procedures for implementing the hiring agreements.*

As with the joint incentive marketing approach, the procedures for negotiating with firms must be clear and the individuals responsible for programs clearly identified and supportive. Writing about Portland, Oregon's strategy, our research associate commented:

> What makes First Source Agreements work? Probably the most important factor is the commitment and positive attitude held by key staff... These individuals sincerely believe in the First Source concept and are intent on implementing a "jobs-in-exchange-for-assistance" policy. Equally important has been the design of the delivery system and the

control over it. The Training and Employment Division has centralized intake, referral and placement functions in-house and can therefore assure the system's ability to deliver applicants to employers.

STEP 3. EARLY, DIRECT, AND DETAILED NEGOTIATIONS WITH EMPLOYERS THAT PRODUCE SPECIFIC HIRING AGREEMENTS

Communities wishing to implement a hiring agreement strategy must develop procedures for bringing employment and training and economic development professionals into contact with the applicants for economic development assistance at an early stage of the process.

The difference between the joint incentive approach and the hiring agreement approach is the purpose of discussions with employers. The joint incentive marketer's purpose is to inform the private firm about the range of services available to the company from both agencies and to encourage them to make some jobs available to the clients of the employment and training agency. The purpose of the hiring agreement, while similar, is to use the provision of low-interest loans, grants, and other public assistance as an incentive to gain specific commitments from the private firm. The product of the negotiation is a legally-binding agreement that commits the employer to hire a specific number of people for certain types of positions from among those referred by the employment and training agency. The success of a joint incentive marketing strategy lies in its persuasiveness--" look what the city and county can do for you." The success of a hiring agreement lies in the fact that private employers must either commit to hiring a certain number of economically disadvantaged people or forfeit the opportunity to receive economic development aid.

STEP 4. CAREFUL EMPLOYEE SCREENING AND TIMELY REFERRALS

The importance of responding to employer requests for qualified applicants on a timely basis is no less important under a hiring agreement strategy than under the joint incentive marketing approach.

As the PIC director in Portland, Oregon described it:

> The most important step in Portland's First Source Agreement process is referring qualified applicants to the firm. Although we can sell the First Source Agreement to an employer and negotiate the 'deal,' if qualified people are not referred to the company on time, then all the preceding groundwork is placed in jeopardy. Therefore, I maintain a close working relationship with the marketing specialist within our department because any problems in the delivery of qualified referrals will affect the credibility of the First Source Agreement program

This comment underlines an important theme. Even though the hiring agreement strategy has more formal clout behind it than the joint incentive marketing approach, it is still a service-oriented approach. In order for hiring agreements to retain community and political support, employers must believe that they are receiving qualified applicants from the employment and training agency. If the screening and referral service is effective, then the program will "sell" itself. Apparently, this has begun to happen in Portland, Oregon: all of the employers we interviewed there were satisfied with the people referred to them under the First Source Agreements and said that they looked forward to hiring additional people from the agency. The overwhelming satisfaction expressed by participating employers and the fact that many of them had never participated in employment and training programs lends good support to the value of hiring agreement strategies.

STEP 5. MONITORING PROCEDURES AND ENFORCEMENT MECHANISMS

> *Communities utilizing the hiring agreement approach must also have effective monitoring procedures so that they will know when to refer applicants to the firm and so that they can assess their own performance.*

Unlike joint incentive marketing strategies, however, communities practicing the hiring agreement approach, need a monitoring strategy so that they can assess whether the private firms are honoring their agreements or not. In most cases, disagreements between the employer and the government agency can be resolved through discussion, however, when an employer clearly

refuses to honor hiring agreements and/or makes it impossible for the agreement to work, the city or county should have sanctions available. They should be able to call a loan due, reimpose taxes, or revoke a loan guarantee. The local government needs to have a "stick" that can be wielded when necessary.

Portland, Oregon's experience is again instructive. According to the PIC staff director:

> We have recently added an arbitration clause to our First Source Agreements for resolving disputes between the City and the project firm. We have not yet had to invoke the arbitration clause--which includes such remedies as monetary damages and the declaration of default on a loan--although the fact that it is a part of the official documents is an indication to the employer of the extent to which the City can pursue enforcement. We feel that this is a very valuable tool in establishing the seriousness with which the employer must view the Agreement.

Portland, Oregon's First Source Agreement Strategy

Portland, Oregon pioneered the use of "First Source Agreements" in1979. These agreements are, in fact, contracts between the city and private employers receiving public economic development assistance that make the city's employment and training agency the "first source" for referrals to jobs that are negotiated in advance of the economic devlopment project. Private firms receiving financial assistance from the Portland Development Commission (PDC) are required to enter into a First Source Agreement, which is administered by the city's Training and Employment Division (TED).

The First Source concept was initiated under Mayor Neil Goldschmidt who expressed concern that an increasing number of jobs were being "lost" to residents of the city's rapidly expanding suburbs. The Mayor and other members of the city council decided that they should try to stem the loss of jobs by requiring companies moving to the city and receiving city

assistance to hire a substantial number of their new employees from the city's unemployed population. The First Source concept was incorporated into several economic development planning documents and has since been supported both by Council and by Mayor Frank Ivancie, who was elected to succeed Mayor Goldschmidt.

The initial First Source Agreement was signed with Wacker Siltronics--a company that specializes in the manufacture of hyperpure silicon chips. In exchange for tax advantages, land purchase bonds, and other aid, the company built a new plant in Portland and agreed to use the Training and Employment Division as its First Source for hiring nearly 450 production and clerical employees out of a beginning workforce of 600 (See Attachment II-I). Since then over twenty additional First Source Agreements have been signed covering nearly 500 additional jobs for low-income, long-term unemployed city residents. Each one of the contracts between the city and the private firm has been endorsed by a city council ordinance.

THE EVIDENCE THAT PORTLAND'S FIRST SOURCE STRATEGY WORKS:

1. Over two-thirds of the employers involved in First Source Agreements had never hired people from the Training and Employment Division (TED) before, yet all of those employers we contacted expressed satisfaction and no reservations about using the service supplied by TED in the future.

2. Although the First Source Agreement process requires careful administrative attention, local staff report that it is slightly more cost effective than other placement strategies for the agency.

3. The quality of jobs obtained through First Source agreements is also good. The average entering wage has been approximately $4.50 per hour and retention has been high.

4. Several companies with previously all white and all male workforces have hired a significant number of women and minorities through First Source Agreements.

5. Evidence from employer interviews reveals that low-income people obtained a substantially larger share of the new "permanent" entry-level positions than the national pattern reported by the Department of Housing and Urban Development for the Urban Development Action Grant Porgram. Nationally, only one in ten of the new jobs went to low-income people under the UDAG program. In Portland, Oregon, most if not all of the new permanent jobs created by economic development investments go to low-income city residents. For example, a major printing company indicated that 75 percent of the 114 jobs created through their UDAG were covered by the First Source Agreement--all of their entry-level positions.

6. If your thinking that it only works because Portland's economy is strong, you should know that Portland's unemployment rate doubled between 1980 and 1982 from 5.4 percent to over 10 percent. Despite a discouraging economic climate, the First Source Strategy was being effectively applied.

7. The policy is strongly endorsed by elected officials; the employment and training and economic development agencies support it. Each agreement is carefully negotiated by TED, employee screening and referral are handled meticulously, and finally, solid monitoring and enforcement mechanisms are in place.

HIGHLIGHTS OF PORTLAND'S FIRST SOURCE AGREEMENT STRATEGY

1. The employer knows from the beginning that a First Source Agreement is a part of the application for economic development assistance from the Portland Development Commission. There are no last minute "oh, by the way" surprises.

2. The employment agreement is a legally binding contract with specific responsibilities assigned to each party. Nothing is vague; every responsibility is clearly specified and discussed before the signing.

3. The employer meets with the same department staff persons over time; there is a continuity of contacts with the City. There is one person to deal with during all negotiations and another person who handles all hiring and reporting.

4. Negotiating a contract is not a rigid process. The identification of entry level jobs to be covered by First Source Agreements is undertaken by the employer with TED.

5. There is a minimum burden of paperwork on the employer. Other than the First Source Agreement contract, there is only a one page hiring statement that the employer submits quarterly to TED.

6. Certain classes of jobs are not covered by First Source Agreements. Management and supervisory positions are excluded because they are beyond the training capacity of TED programs. Construction jobs are also avoided because these positions are heavily unionized and many workers in this field presently are unemployed.

7. The cooperation between PDC and TED makes it possible to ensure a smooth implementation of the First Source Agreement concept. Firms to be targeted are identified early and easily. The transition from packaging the loan to negotiating and implementing the First Source Agreement is troublefree. And, because staff in both agencies share the commitment to this strategy, there is no opportunity for an employer to play one agency off against the other.

A Step by Step Examination of the First Source Agreement Strategy

Perhaps the best way to understand how Portland's First Source Agreement policy works is to follow the process of developing and implementing an actual agreement. In the case study that follows we have chosen one company (changing the firm's name at its request to the XYZ firm) and showed how the First Source Agreement was applied in their case. Just following this description, the First Source process is summarized in outline form and several documents used by the Portland staff are attached, including:

- a Loan Application Report (Attachment II-C)
- a First Source Profile (Attachment II-D)
- a First Source Agreement (Attachment II-E)
- a Council Ordinance Authorizing a First Source Agreement (Attachment II-F)
- a Job Order Form for the First Source Agreement (Attachment II-G)
- a Quarterly Hiring Summary (Attachment II-H)

Finally, we enclose (as Attachment II-I) a description of the original First Source Agreement with the Wacker Siltronics Company and some materials used to explain and advertise the First Source Agreement program in Portland.

A CASE STUDY OF PORTLAND, OREGON'S FIRST SOURCE AGREEMENT STRATEGY

Agencies Involved

Portland Development Commission (PDC).....Independent city commission which administers revolving loan program
Training and Employment Division (TED).....CETA administers agency for Portland, houses Private Industry Council
City Loan Corporation.....PDC loan review committee

The Loan

XYZ, INC. is a 13 year old firm that manufacturers and distributes tools for cutting metals. The company wanted to expand operations, buy some new equipment and build a larger facility. XYZ applied to the PDC for a loan in July 1981.

The Financial Services Coordinator at PDC contacted TED to inform them of the application. The PDC then prepared a loan application profile and sent a copy to the First Source Coordinator at TED. During discussions between XYZ, Inc. and PDC staff, the company lowered its original request, as obtaining a loan to help with the costs of construction was too expensive. Instead, the company decided to buy new equipment with a $23,500 loan from PDC and defer their construction plans.

Initial Discussions

TED's First Source Coordinator met with the Presdient of XYZ to explain the concept of First Source Agreements. His initial reaction was negative ("the deal is off") because he mistakenly thought that he would have to let TED fill all jobs in his firm. He was mollified when the First Source Coordinator repeated that First Source Agreements are restricted to entry level positions. Together, the President and the First Source Coordinator reviewed all the firm's job classifications and agreed upon two that would be suitable to be filled by low-income residents referred from TED: laborer and clerical positions. Other positions in the company (which employs only 20 people) were too advanced and not suitable for TED's clients. During this meeting, the First Source Coordinator collected information on the wages and fringes of these positions, turnover, hiring, firing, and probationary policies at the firm, projected growth (7 positions over the next three years), and entry level qualificiations that the employer felt were necessary for the jobs covered.

First Source and Loan Application Profiles

After the visit, the First Source Coordinator prepared a First Source Profile report for the PDC. This report contained TED's assessment of the

feasibility of developing a First Source Agreement with an employer applying for a loan. TED does not make a recommendation for or against the loan; it simply provides a detailed first source employment picture to PDC for use in reaching this decision. In the report, the First Source Coordinator indicated that the low wages at XYZ for the covered positions were offset somewhat by the fringes and the potential for advancement and the fact that the employer appeared willing to cooperate with a First Source Agreement.

Loan Approval and Signing of the First Source Agreement

The First Source profile and the loan application profile prepared by the Financial Services Project Coordinator were both sent to the City Loan Corporation, the committee that makes decisions about loan applications. The XYZ request was granted and the Corporation set a closing date just two weeks distant. The First Source Coordinator was informed of the decision and the closing date by the Financial Services Project Coordinator. The First Source Coordinator immediately arranged another visit to XYZ, Inc. For this meeting she brought with her the draft First Source Agreement contract for the employer to review. The President had no questions; he had read, signed and returned the model First Source Agreement after the first visit. The only time-consuming part of the visit was checking the details of the job descriptions that were included in the contract. These descriptions are included in the job order forms used by the operations unit of TED; therefore, the duties and requirements associated with these positions had to be specified in detail.

At the close of the visit, the President and the First Source Coordinator were satisfied with the terms of the contract. The President signed it and received a copy in the mail signed by the City. Then, the City Council passed an ordinance approving the First Source Agreement with XYZ, Inc. The loan was then closed and XYZ received the money to buy the additional equipment.

Monitoring

The Operations Unit First Source Case Manager screened and referred applicants to XYZ, Inc. Although the First Source contract states that TED has 18 days to respond, the Case Manager can provide referrals within five days if necessary. The Case Manager also monitors the quarterly hiring summaries submitted by XYZ to TED.

A SUMMARY OF PORTLAND, OREGON'S FIRST SOURCE AGREEMENT STRATEGY

EMPLOYER

- Applies to Portland Development Commission for a Loan

↓

PORTLAND DEVELOPMENT COMMISSION

- Screens employer for basic eligibility criteria
- Informs employer of First Source Agreement requirements as condition for loan
- Notifies First Source Coordinator at Training and Employment Division
- Prepares a Loan Application Profile which includes current and projected employment levels (See Attachment II-C)
- Helps employer locate matching funds
- Sends the completed profile to First Source Coordinator

↓

TRAINING AND EMPLOYMENT DIVISION

- Schedules appointment and goes to see employer
- Explains First Source Agreement in detail
- Reviews all job classifications at firm
- With employer develops a list of jobs to be covered by First Source Agreement if loan is approved
- Prepares a First Source Profile which includes number and type of covered positions, pay and fringes, entry level qualifications, ratio of loan to covered jobs, additional observations, and summary (see Attachment II-D)
- Sends Profile to PDC

↓

PORTLAND DEVELOPMENT COMMISSION

- Sends Loan Application Profile and First Source Profile to City Loan Corporation

↓

CITY LOAN CORPORATION

- Decides whether to approve or disapprove loan application
- Establishes repayment schedule and determines a closing date

↓

PORTLAND DEVELOPMENT COMMISSION

- Notifies TED of outcome and closing date (time can range from two weeks to several months)

TRAINING AND EMPLOYMENT DIVISION

- Schedules a return visit to employer; staff from Operations unit may also attend
- Develops complete First Source Agreement contract (jobs covered, descriptions, qualifications) with the employer and reviews referral, hiring, and reporting procedures. Executed First Source Agreements must be completed prior to closing of loan (see Attachment II-E)

↓

CITY COUNCIL

- Issues an Ordinance for the First Source Agreement contract (see Attachment II-F)

↓

EMPLOYER

- Goes to closing with executed contract
- Receives loan
- As expansion occurs, Training and Employment Division is notified of vacancies in Covered Positions (see Attachment II-G)

↓

TRAINING AND EMPLOYMENT DIVISION

- Sends at least three qualified applicants within 5 to 18 days after receiving the employer's notice

↓

EMPLOYER

- Hires applicant

↓

PORTLAND DEVELOPMENT COMMISSION

- Conducts annual monitoring of employer expansion and hiring

↓

TRAINING AND EMPLOYMENT DIVISION

- Monitors hiring through Quarterly reports from employer (see Attachment II-H)
- Addresses any compliance problems

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ATTACHMENT II-A

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ouncil 19 Rector Street New York, New York 10006 (212) 742-1000

MEMORANDUM OF UNDERSTANDING

It is understood that the following agencies will participate in the Targeted Jobs Demonstration Project in New York City. The Private Industry Council; the N.Y.C. Department of Employment; the Public Development Corporation; the Housing and Preservation Department; and the Office of Economic Development.

Each of these agencies will designate a representative to join the Advisory Committee that will be formed to direct, review and monitor the activities of this project.

This committee will meet monthly at a mutually agreeable time and place for this purpose.

In addition to membership on the Advisory Committee, each of the above-mentioned agencies will provide specific services to the project.

1. Private Industry Council: As the Grantee for this project, the PIC will provide all personnel services for staff, fiscal procedures for all grant monies, and direct liaison with U.S. Department of Housing and Urban Development and the monitoring agency, U.S. Department of Labor. Additionally, the PIC will provide space for one of the three staff members to be hired for this project, as well as operational supervision and clerical support.

2. N.Y.C. Department of Employment: This agency will appoint a representative who will interface with the project on as as-needed basis to provide information about and linkages to appropriate employment and training programs as employers in need of such services are identified.

3. The Public Development Corporation: This agency will provide space for one of the three staff members to be hired for this project. Daily supervision and clerical support will also be provided, as well as assistance in interacting with the economic development activities of the agency.

4. Housing Preservation and Development: This agency will appoint a representative to assist the staff of the project in identifying those projects that channel Federal development funds to the private business sector, in order that procedures may be developed that would connect employment and training programs with such projects.

ATTACHMENT II-A (continued)

5. Office of Economic Development: This agency will also provide space, daily supervision and clerical support for one of the three staff of the project. This agency will provide access to the full scope of economic development activities administered by this agency, so that effective linkages with employment and training programs may be formed.

Private Industry Council	Name & Title	Date
N.Y.C. Department of Employment	Name & Title	Date
Public Development Corporation	Name & Title	Date
Housing & Preservation Department	Name & Title	Date
Office of Economic Development	Name & Title	Date

ATTACHMENT II-B

CITY OF SEATTLE, WASHINGTON

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is by and between the City of Seattle, Department of Community Development, Office of Economic Development, herein called the "City," and The Consortium, herein called "The Consortium." The Consortium, the area prime sponsor of the Comprehensive Employment and Training Act (CETA) of 1978, was established to administer a single, comprehensive employment and training system for alleviating unemployment, underemployment and related economic conditions in King County.

The purpose of this Understanding is to demonstrate the City's and the Consortium's commitments to coordinate activities in order to further the goals of the Joint Venture: A Private and Public Employment Network (formerly called the Targeted Jobs Demonstration Program).

The Joint Venture is a two-year demonstration program administered by the U.S. Department of Housing and Urban Development (HUD) under the auspicies of the Employment Initiatives Program. Its primary objective is to plan and coordinate federally assisted economic development projects with a view of maximizing employment and contract opportunities for economically disadvantaged persons and women and minority business enterprises (W/MBE's).

The City's Office of Economic Developement has sole responsibility for the program's development, operation, administration and evaluation.

The Joint Venture's goals are to:

1. Implement a network to place and retain CETA-eligible persons in private sector employment at federally assisted economic development projects.

2. Implement a network to ensure equitable participation of women and minority business enterprises in contracts generated by such projects.

3. Institutionalize above networks to surpass the longevity of the program into existing public and private systems.

4. Design a standardized program model that is transferable to other jurisdictions.

Therefore, the City and The Consortium agree that the attainment of these goals will require the mutual cooperation of each. The City and The Consortium agree that the following actions, as being appropriate and within the extent of their authority and resources, are to be undertaken for the purpose of placing CETA-eligible individuals into unsubsidized employment

ATTACHMENT II-B (continued)

with developers, employers participating in City and/or projects where funding has been sought by the City.

The City Will:

1. Make available employment opportunities resulting from federally assisted economic development projects to participants of Consortium-funded employment and training providers.

   a. CETA participants must be City residents in order to qualify for employment under the Joint Venture.

   b. information on employment and training opportunities will be provided to The Consortium for coordination with and dissemination to Program Agents.

2. Assist The Consortium in developing appropriate training programs for training CETA participants for job openings under the Joint Venture.

   a. Specific recommendations will be made to match current KSMC training programs in occupational areas covered by collective bargaining agreements with union preapprenticeship and apprenticeship requirements.

   b. Curricula will be designed by developers at institutional training sites for customized training programs to meet special labor requirements of project employers.

3. Ensure consultation or concurrence with appropriate labor organizations wherever necessary.

4. Assist in the development of coordination mechanism for sharing information among local employment development agencies, community organization and employment and training service deliverers.

5. Inform and encourage use of tax credits, such as the Targeted Jobs Tax Credit program, by Joint Venture project employers.

6. Negotiate agreements, goals and procedures with Joint Venture project employers for the hiring of CETA-eligible applicants. These goals shall be formally communicated to The Consortium to assure that The Consortium/CETA funded programs can meet the goals as negotiated.

7. Develop appropriate information materials on the Joint Venture for use by CETA participants, Program Agent staff, project employers, union officials and members, and the general public.

8. Perform other activities agreed to by both parties as essential to effective program operation.

ATTACHMENT II-B (continued)

The Consortium Will:

1. Integrate a referral process for Joint Venture union and non-union jobs into The Consortium referral system.

   a. Ensure that Consortium Program Agents are cognizant of and comply with Joint Venture Job Order Control procedures.

   b. Assist the Joint Venture in developing other quality-control procedures.

2. Assist in the development and operation of appropriate programs for training CETA participants for current or future Joint Venture job openings.

3. Ensure, through appropriate directives, that CETA-eligible City residents are referred to Joint Venture project employers in accord with required timelines through the Referral Control Clearinghouse.

4. Inform the Office of Economic Development of programmatic design recommendations relevant to the Joint Venture.

5. The Consortium will be the point of dissemination of Joint Venture program information to Program Agents.

6. Cooperate in other activities agreed to by both parties as essential to effective program operation.

7. Assure the integration of referral activity into the Employment Security Referral Control Clearinghouse.

Both parties agree that the contact with the private sector developers, employers, etc. is the responsibility of the City. Further, contact with Consortium-funded Program Agents is the responsibility of The Consortium. Finally, it is agreed that although this agreement is general, specific information will be modified into this agreement clarifying the specific roles of specific Consortium Program Agents.

EVALUATION OF THIS UNDERSTANDING will be performed jointly by the City and The Consortium on a semi-annual basis to evaluate the fulfillment of the responsibilities stated in this Understanding.

THEREFORE, IT IS ALSO RECOGNIZED that either party may request amendments to any agreements or conditions set forth in this Understanding by submitting a request in writing. Such written amendments shall be incorporated into this Understanding through mutual consent. If at any time either agency determines this working relationship to be unsatisfactory, either due to the failure of either party to fulfill any obligation specified in this Understanding, or to the onset of unforeseen circumstances or conflicts which are unresolvable, this Understanding can be terminated for cause by unilateral action.

ATTACHMENT II-B (continued)

IN ADDITION, THIS UNDERSTANDING WILL terminate on the date of termination of the City's Joint Venture. This Understanding will also immediately terminate in the event that Joint Venture funding is terminated.

THEREFORE, WE, THE UNDERSIGNED, HEREBY DECLARE OUR INTENT AND COMMITMENT TO FULFILL THE PROVISIONS OF THIS MEMORANDUM OF UNDERSTANDING ON THIS _____DAY OF _____, 1980.

Lee T. Pasquarella, Director The Consortium	Charles Royer, Mayor City of Seattle

ATTACHMENT II-C

City Loan Corporation

1500 S.W. First Ave. • 7th Floor • Portland, Oregon 97201 • (503) 248-4843

Staff assistance provided by the Portland Development Commission.

Board of Directors
Dean Wendle
Larry Morris
Humberto Reyna
Randolph Miller
Edward Caldwell

MEMORANDUM

DATE: 7/16/81

TO: City Loan Corporation

FROM: Steven Petersen and Nancy Farr

SUBJECT: Loan Application Report

I. Borrower:

XYZ Inc. located in
Portland, Oregon 97202;
President (67% stock ownership); Phone:

II. Private Lender:

III. Loan Amount and Terms:

	Amount	Terms
	$23,500	
City Loan Corporation	$23,500	

IV. Purpose:

Loan funds will be used to purchase two sophisticated milling machines to enable the company to expand their production capacity.

V. Company Information:

XYZ, Inc. is an Oregon corporation founded in January of 1970. The majority of the stock ownership (67%) is held by the President and founder. The company Vice-President owns 17% of the stock. Initially, the company engaged in the grinding and sharpening of cutting tools for local manufacturers. Approximately six years ago, they added the distribution of new cutting tools and have expanded their sales area to the eleven Western States.

Sales have grown from $50,000 in 1970 to an estimated $1,750,000 in 1981. Employment has increased from one person to a current, twenty full-time employees.

ATTACHMENT II-C

City Loan Corporation
Loan Application Report

Page 2

VI. Project Information:

When _____ initially inquired about the EDA Loan Fund, his request was for a total loan package of $250,000. to purchase equipment and construct expanded plant facilities at the present location. Due to the extensive time and cost involved with the financing, coordination and construction of plant expansion, applicant now feels equipment purchases alone could fulfill their greatest needs without negatively affecting job creation. Plant expansion would increase productivity and efficiency, however, volume increases will be a direct result of the new machinery which will enable them to fill new and larger sales and service orders. One piece is a CNC Series Bridgeport milling machine, which allows for computerized tolerance adjustment and maintenance.

Source of Funds	Use of Funds	
-	Equipment purchase	$23,500
City Loan Corporation	Equipment purcahse	23,500
TOTAL LOAN AMOUNT		$47,000

Applicant claims cost of private funds make project infeasible at this time.

VII. Employment Information:

	Current	Projected		
	1981	81/82	83/84	84/85
Professional	4	4	4	4
Sales	2	3	3	4
Clerical	4	4	5	6
Operatives	1	1	1	1
Craftsmen	8	8	9	9
Laborers	1	2	3	3
Totals	20	22	24	27

Over three years, the company plans to add 7 new positions, four of which can be classified as blue collar, two clerical, and one additional sales position.

ATTACHMENT II-D

FIRST SOURCE PROFILE: XYZ, Inc. Portland, Oregon

1. Covered Positions - Employer would agree to cover the laborer and clerical positions under a first source agreement. He feels that the others require substantial training. He anticipates hiring one (1) additional laborer over the next three years (rather than the two listed in the loan report) and probably two (2) clericaT workers.

2. Compensation - Laborer and clerical positions here pay $3.50 - $4.00 per hour to start. Fringe benefits include health and dental benefits after six months employment and one week of vacation after one year.

3. Entry level qualifications - Candidates for laborer positions must be able to lift 75 pounds,have (or acquire) a chauffer's license and have basic reading and writing skills. The ability to read scales, micrometers and similar instruments is helpful. Clerical applicants should type 40 wpm and have 10-key skills. They should also be able to handle phones and filing.

   These skill expectations are well within the range TED can refer.

4. Miscellaneous - _____indicated past success in working with the CETA program and willingness to continue. The laborers he has employed (including several Indochinese) receive on-the-job training and are encouraged to advance to more skilled positions. The jobs are all full time regular day shift, Monday through Friday.

5. Ratio of loan to covered positions

   To be added: $23,500/3 = $7,833 per job.

6. Summary - While the entry level jobs do not pay a lot, some fringes and advancement potential are offered. The company may have trouble finding clerical workers in the current market with the requisite skills for less than $4.00 per hour. The employer's prior positive experience with CETA also enhances the potential viability of a first source agreement.

ATTACHMENT II-E

CITY OF

PORTLAND, OREGON

HUMAN RESOURCES BUREAU

Margaret D. Strachan, Commissioner
Training and Employment Division
522 S.W. Fifth Avenue, 8th Floor
Portland, Oregon 97204
(503) 248-4474

FIRST SOURCE AGREEMENT

This First Source Agreement for recruitment, referral and placement is between the CITY OF PORTLAND, hereinafter referred to as the "CITY," and XYZ, Inc., Portland, OR 97202,
hereinafter referred to as "EMPLOYER." Under this First Source Agreement, EMPLOYER will use the CITY as its first source for recruitment, referral and placement of covered employees.

1. GENERAL TERMS

A. The CITY wishes to assure continuing employment oprortunities for economically disadvantaged CITY residents with employers located within the Portland Metropolitan area.

B. The EMPLOYER wishes to use the CITY as a first source for recruitment, referral and placement of employees.

C. The CITY, through the City Loan Corporation, is willing to provide a low-interest loan of $23,500 to EMPLOYER in consideration for the EMPLOYER's entry into this Agreement.

D. The CITY will provide employment recruitment, referral and placement services to the EMPLOYER subject to the limitations set out in this Agreement.

E. The CITY's participation in this Agreement will be carried out by the Training and Employment Division (TED) of the CITY's Human Resources Bureau, Yeon Building, 522 SW Fifth Avenue, 8th Floor, Portland, Oregon 97204, or such other CITY bureau or division designated by the CITY.

F. This Agreement shall take effect when signed by all the parties below, and shall be in full force and effect for the period of five (5) years.

II. RECRUITMENT

A. The CITY and EMPLOYER agree that for purposes of this Agreement, "covered positions" include all EMPLOYER's job openings in the Portland Metropolitan area created as a result of internal promotions, terminations and expansion of EMPLOYER's workforce, within the below-listed job classifications:

Clerical
Laborer

ATTACHMENT II-E (continued)

First Source Agreement Portland, Oregon

XYZ, Inc.
Page Two

B. At least eighteen (18) CITY working days prior to the anticipated hiring dates, the EMPLOYER will notify TED of its needs for new employees in covered positions.

C. For covered positions, notification to TED shall include, but need not to be limited to, the number of employees needed by job title, hiring dates, rates of pay, hours of work, anticipated duration of employment and work to be performed. In order for TED to determine whether persons meet the EMPLOYER's personnel needs, a job description including minimum qualifications, stated in quantifiable and objective terms, will be agreed upon by the EMPLOYER and TED prior to the execution of this Agreement. These job descriptions are made a part of this Agreement and are included as Attachment "A."

D. Positions which are not managerial, highly technical, or professional, created in the future by the EMPLOYER, shall also be regarded as positions covered by this Agreement. Positions of a supervisory nature or which require two or more years of formal training are not considered covered positions.

E. The EMPLOYER will also notify TED of all position vacancies which are not "covered positions" as defined in Sections IIA, B, and C, above. Notification shall include qualifications, the rate of pay and the anticipated hiring dates. The EMPLOYER will also notify TED of the date by which TED must refer qualified applicants to the EMPLOYER. TED may make referrals to the EMPLOYER for management, technical and professional vacancies; however, the EMPLOYER will not be bound to hire from these referrals.

F. Job openings to be filled by internal promotion from the EMPLOYER's local work force need not be referred to TED for placement and referral.

III. REFERRAL

A. TED will refer CETA eligible job applicants to the EMPLOYER in response to the notification of need for new employees described in Section II, above.

B. TED will screen applicants according to the qualifications agreed upon with the EMPLOYER.

ATTACHMENT II-E (continued)

First Source Agreement Portland, Oregon

XYZ, Inc.
Page Three

IV. PLACEMENT

A. TED will notify the EMPLOYER NO LATER THAN FIVE (5) working days prior to the anticipated hiring date of the number of applicants TED will refer. TED will make every reasonable effort to refer at least one qualified person for each job opening.

B. In the event TED cannot refer the total number of qualified personnel requested, the EMPLOYER will be free to directly fill remaining positions for which no qualified applicants have been referred. In this event, the EMPLOYER will make a good faith effort to hire City of Portland residents.

C. The EMPLOYER will make all decisions on hiring new employees but will select its employees for covered positions from among the qualified persons referred by TED.

D. TED will track job retention of employees placed under this Agreement for 90 days following placement. EMPLOYER agrees to cooperate in TED's followup efforts.

E. TED is required to monitor EMPLOYER's performance under this Agreement. Employer will cooperate in TED's monitoring efforts and will submit Quarterly Hiring Summaries in accordance with Attachment "B."

F. After the EMPLOYER has selected its employees, TED will not be responsible for the employee's actions and the EMPLOYER hereby releases the CITY from any liability for their actions.

V. TRAINING

A. The EMPLOYER will not discontinue providing routine on-the-job training due to this Agreement.

B. TED and the EMPLOYER may agree to develop additional on-the-job training programs; the training specifications and cost for such training will be mutually agreed upon by the EMPLOYER and the CITY and covered in a separate Training Agreement.

VI. CONTROLLING REGULATIONS AND LAWS

A. If this Agreement conflicts with any labor laws or other governmental regulations, the laws or regulations shall prevail.

B. If this Agreement conflicts with a collective bargaining agreement to which the EMPLOYER is a party, the bargaining agreement shall prevail.

ATTACHMENT II-E (continued)

First Source Agreement Portland, Oregon

XYZ, Inc.
Page Four

C. The EMPLOYER will provide TED with written documentation that the EMPLOYER has provided the representative of any involved collective bargaining unit with a copy of this Agreement and has requested comments or objections. If the representative has any comments or objections, the EMPLOYER will provide them to TED.

D. The EMPLOYER will not discriminate against any applicant for employment because of race, religion, age, handicap, color, sex, national origin, citizenship, or political affiliation.

VII. ASSIGNMENT MODIFICATIONS, RENEWAL AND SANCTIONS

A. If, during the term of this Agreement the EMPLOYER should transfer possession of all or a portion of its business concerns affected by this Agreement to any other party by lease, sale or assignment or otherwise, the EMPLOYER as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this Agreement. A new First Source Agreement will be executed with the new party prior to the effective date of the transaction.

B. The EMPLOYER and TED, or such other agent as the CITY may designate, may mutually agree to modify this Agreement in order to improve the working relationship described herein.

C. The CITY may terminate this agreement at any time by written notification if its federal, state or local grants are suspended or terminated before or during the contract period.

D. Either the EMPLOYER or the CITY may elect to employ binding arbitration to settle any material dispute under this Agreement which informal good faith negotiating efforts have failed to resolve. If either party elects to employ arbitration, the electing party shall deliver written notice to the other party appointing one arbitrator, specifying the issue(s) to be resolved and detailing the desired remedy. The responding party shall return a written response to the electing party within fifteen (15) days. The response shall appoint a second arbitrator and shall outline the responding party's position on the issue(s). The two arbitrators so appointed shall select a third arbitrator within fifteen (15) days after the appointment of the second arbitrator. If the two arbitrators first appointed are unable to agree upon the third arbitrator within the time limit, then the third arbitrator shall be appointed by the presiding judge of the Multnomah County Circuit Court. After all arbitrators have been appointed, they shall make a written report within thirty (30) days to

ATTACHMENT II-E (continued)

the parties on the issue(s). The determination of a majority of the arbitrators shall be final and binding upon the EMPLOYER and the CITY and may include:

1. Monetary damages directly related to any breach of this Agreement and to the issue(s) raised;

2. Specific performance of the Agreement provisions and steps reasonably necessary to implement and monitor specific performance, which might include retention of a professional job analyst designated by the arbitrators;

3. Declaration of default on and calling in of any CITY Loan provided in consideration for EMPLOYER's entry into this Agreement;

4. Allocation of costs associated with the arbitration determination and steps necessary to implement and monitor that determination.

The arbitration determination shall be fully enforceable in a court of law.

Approved:

_____
Executive Director Date
Human Resources Bureau

_____
Director Date
Training and Employment Division

Approved as to Form:

_____
City Attorney Date

XYZ, Inc.

By: _____
Date

Title: _____
Date

CITY OF PORTLAND

_____
Commissioner of Public Utilities/Date

_____
City Auditor Date

ATTACHMENT II-F

ORDINANCE NO. Portland, Oregon

An Ordinance authorizing two (2) First Source Agreements between the city of Portland and XYZ, Inc. and ABC, Inc. for recruitment, screening, referral and placement of entry level employees under the Human Resources Bureau, AU 682, Training and Employment Dividison and declaring an emergency.

The City of Portland ordains:

Section 1. The Council finds:

1. The city of Portland has been designated by the U.S. Department of Labor as Prime Sponsor for administering funds under the Comprehensive Employment and Training Act (CETA) to provide employment and training to eligible City residents.

2. As a condition of low-interest loans from the City Loan Corporation's Revolving Loan Fund, XYZ, Inc. and ABC, Inc. have agreed to enter into a First Source Agreement with the City.

3. Two First Source Agreements providing for the recruitment, screening, referral and placement of entry level employees have been agreed upon between the Training and Employment Division and XYZ, Inc. and ABC, Inc.

4. These First Source Agreements do not result in expenditure of either CETA Funds or General Fund revenues.

5. It is therefore appropriate that the Commissioner of Public Utilities and the City Auditor execute, on behalf of the City, First Source Agreements with XYZ, Inc. and ABC, Inc. for recruitment, screening, referral and placement of entry level employees, under the Human Resources Bureau, AU 682, Training and Employment Division, for a period of five (5) years from the execution of the Agreement as set forth in Exhibits "A" and "B."

NOW, THEREFORE, the Council directs:

a. The Commissioner of Public Utilities and the City Auditor are hereby authorized to execute, on behalf of the City, First Source Agreements with XYZ, Inc.and ABC, Inc. for recruitment, screening, referral and placement of entry level employees under the Human Resources Bureau, AU 682, Training and Employment Division, for a period of five (5) years from the execution of the Agreement, as set forth in Exhibits "A" and "B."

Section 2. The Council declares that an emergency exists because delay in the enactment of this Ordinance will cause unnecessary administrative delay in function of the CETA program and the closing arrangements between the City of Portland and XYZ, Inc., and ABC, Inc.; therefore, this Ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council,

Commissioner Margaret-Strachan Attest:
JPG:pj Auditor of the City of Portland

ATTACHMENT II-G

OJT customized training
First Source (Unsubsidized)
DOT Code: _____
SVP Hrs: _____ Trng Time _____

JOB ORDER FORM
City of Portland Training & Employment Division

1. Employer XYZ, Inc. 2. Date August 26, 1981

3. Job Title Clerical 4. Number of Openings 2

5. Job Location _____

6. Contact Person _____ Phone _____

7. Supervisor _____ 8. Beginning date _____ Ending _____

9. Starting salary $ 4.00 per hr. Salary after training $ 6.50 per hr.

10. Benefits: Medical, Dental, Life Insurance

11. Days to be worked Monday through Friday 12. Hours 8:00 to 4:30 p.m.

13. Will union membership be required? Yes _____ No x
If yes, which union and local # _____

14. If this job involved on-the-job training to be subsidized by the City, how long will the training period be? _____ (attach specific training plan)

15. Specific Duties Typing, 10 key adding, film posting on card-x-system.
General office work. Some shipping and receiving of small parts.

16. NECESSARY QUALIFICATIONS:
Level of experience or training required to enter program (include licenses and/or certificates necessary)

Skill
Typing - 40 wpm, 10 key, understanding of alpha filing.
Some shipping and receiving experience helpful.

17. Is a valid Oregon Drivers' License required? Yes x No _____

18. Are your employees in this position expected to provide any necessary tools involved in the job(s)? Yes _____ No x
If yes, please attach an itemized list (with prices) of tools required for each position

ATTACHMENT II-G (continued)

19. Education level needed to perform this job (if any) High School

20. Describe any on-the-job training you normally provide for this position (ie, without City funding) None. Applicant should be able to perform after brief explanation of our process.

21. Is there a possibility for promotion from this job? Yes x No
If yes, to what position(s)? Inside sales and purchasing

22. Environmental Conditions

a. Working Environment

Inside	90 %
Outside	10 %

	YES	NO
b. Extreme Cold with or without temperature changes		x
c. Extreme heat with or without temperature changes		x
d. Wet and/or Humid		x
e. Vibration		x
f. Hazards		
Mechanical	x	
Electrical	x	
Burns		x
Explosives		x
Radioactivity		x
Other		x
g. Atmospheric Conditions		
Fumes		x
Dusts	x	
Mists		x
Gases		x
Poor Ventilation		x
Other		x
h. Noise		
Estimated maximum no. of Decibels	5	

23. Physical Demands

a. Strength % time job will require

Standing	90 %
Walking	10 %
Sitting	%

Weight (no. lbs.)

Lifting	50
Carrying	50
Pushing	50
Pulling	50

	YES	NO
b. Climbing		x
Balancing		x
Stooping	x	
Kneeling	x	
Crouching		x
Crawling		x
Reaching	x	
Handling	x	
Fingering	x	
Feeling	x	
Talking	x	
Hearing		
Ordinary Conversation	x	
Other Sounds	x	
Seeing		
Acuity, Near	x	
Acuity, Far	x	
Depth Perception	x	
Color Vision	x	
Field of Vision	x	

24. a. Could a person with limited English speaking skills perform this job?
Yes No x
b. Could a person with limited English reading/writing skills perform this job?
Yes No x

25. Is public transportation easily accessible? Yes x No

26. Does the job require shift work or other than traditional hours? Yes No x
(if yes, please clarify)

Portland, Oregon

ATTACHMENT II-G(continued)

OJT customized training
First Source (Unsubsidized)
DOT Code: _____
SVP Hrs: _____ Trng Time _____

JOB ORDER FORM
City of Portland Training & Employment Division

1. Employer XYZ, Inc. 2. Date Sept. 9, 1981

3. Job Title Laborer 4. Number of Openings _____

5. Job Location _____

6. Contact Person _____ Phone _____

7. Supervisor _____ 8. Beginning date _____ Ending _____

9. Starteing salary $ 4.00 per hr. Salary after training $ 6.50 per hr.

10. Benefits: Medical, Dental, Life Insurance

11. Days to be worked Monday through Friday 12. Hours 8:00 to 4:30 p.m.

13. Will union membership be required? Yes _____ No x
If yes, which union and local # _____

14. If this job involved on-the-job training to be subsidized by the City, how long will the training period be? _____ (attach specific training plan)

15. Specific Dutie Cleaning and polishing of small parts. Some drill press and grinding work possible. Organizing and writing up of job cards. Shipping and receiving of small parts.

16. NECESSARY QUALIFICATIONS:
Level of experience or training required to enter program (include licenses and/or certificates necessary)

Skill
Cutting tool nomenclature helpful - Mechanical aptitude - Some shipping and receiving experience helpful.

17. Is a valid Oregon Drivers' License required? Yes x No _____

18. Are your employees in this position expected to provide any necessary tools involved in the job(s)? Yes _____ No _____
If yes, please attach an itemized list (with prices) of tools required for each position

ATTACHMENT II-G (continued)

19. Education level needed to perform this job (if any) High School

20. Describe any on-the-job training you normally provide for this position (ie, without City funding) Training will be brief for simple jobs and more complex for jobs of greater difficulty.

21. Is there a possibility for promotion from this job? Yes x No
If yes, to what position(s)? Machine Operator (ie, Lathe, Mills, Drills

22. Environmental Conditions

a. Working Environment

Inside	90 %
Outside	10 %

	YES	NO
b. Extreme Cold with or without temperature changes		x
c. Extreme heat with or without temperature changes		x
d. Wet and/or Humid		x
e. Vibration		x
f. Hazards		
Mechanical	x	
Electrical	x	
Burns		x
Explosives		x
Radioactivity		x
Other		x
g. Atmospheric Conditions		
Fumes		x
Dusts	x	
Mists		x
Gases		x
Poor Ventilation		x
Other		x
h. Noise		
Estimated maximum no. of Decibels	5	

23. Physical Demands

a. Strength — % time job will require

Standing	90 %
Walking	10 %
Sitting	%

Weight (no. lbs.)

Lifting	50
Carrying	50
Pushing	50
Pulling	50

	YES	NO
b. Climbing		x
Balancing		x
Stooping	x	
Kneeling	x	
Crouching		x
Crawling		x
Reaching	x	
Handling	x	
Fingering	x	
Feeling	x	
Talking	x	
Hearing		
Ordinary Conversation	x	
Other Sounds	x	
Seeing		
Acuity, Near	x	
Acuity, Far	x	
Depth Perception	x	
Color Vision	x	
Field of Vision	x	

24. a. Could a person with limited English speaking skills perform this job?
Yes No x
b. Could a person with limited English reading/writing skills perform this job?
Yes No x

25. Is public transportation easily accessible? Yes x No

26. Does the job require shift work or other than traditional hours? Yes x No
(if yes, please clarify)

Portland, Oregon

ATTACHMENT II-H

Quarterly Hiring Summary

For Quarter ending: _____

XYZ, Inc.

Listed below are the positions in your firm which are covered under the First Source Agreement with the City. Please list the total number of hires for this quarter and return this form to the Training and Employment Division within 30 days following the close of that quarter.

Position title	Total new hires
Laborer	
Clerical	

I certify that the above information is true and accurate.

_____
Authorized signature

_____
Title

_____
Date

Please return this form to: Training and Employment Division
522 SW Fifth Avenue, 8th floor
Portland, Oregon 97204

The Wacker Siltronic Project

The highly successful Wacker Siltronic training program utilized the First Source concept to place disadvantaged Portland residents in high technology jobs. Working with a major new investor in the city, Wacker Siltronic (an American subsidiary of a German chemical company specializing in the manufacture of hyperpure silicon chips for the growing electronics industry), the city developed the Silicon Technology Training Program. In exchange for tax advantages, land purchase bonds and other investment incentives, Wacker Siltronic built a new plant in Portland, agreeing to make the City's Training and Employment Division its First Source for hiring approximately 425 production and clerical employees out of a beginning work force of approximately 600.

Using federal CETA training funds, the city, with subcontractors Portland Opportunities Industrialization Center and Portland Community College, worked with Wacker Siltronic to design and implement the training program. The program recruited, assessed and trained participants for guaranteed placement in twelve production occupations. Training was conducted at a special "mini-plant" facility established by Portland Community College, employing instructors who observed a Wacker plant in Germany. Training included classroom sessions, practical experience at Portland Community College and on-site plant training with actual production equipment.

Training schedules were staggered to accommodate the length of training needed and scheduled hiring dates. Training varied from sixteen to 32 weeks, depending on occupation, with three cycles providing graduating classes of approximately 150 each to start work on predetermined dates.

The final group went on the company payroll on schedule July 16, 1980. Wacker hired all those contracted for and some extras and will take referrals from CETA for replacement staff. As part of the First Source program, the city will provide similar training for Wacker's first major expansion, due within five years.

Demographics of the 444 persons hired reflect these statistics:

	TOTAL	%
Female	149	33.7
Male	295	66.3
	444	100.0
Black	87	19.6
Native American	4	.9
Hispanic	21	4.7
Other minority	33	7.4
	145	32.6
Portland residence:		
North	85	19.1
Northeast	155	34.
Northwest	29	6.5
Southeast	129	29.
Southwest	46	10.4
	444	100.0

Portland, Oregon

City of Portland

Human Resources Bureau

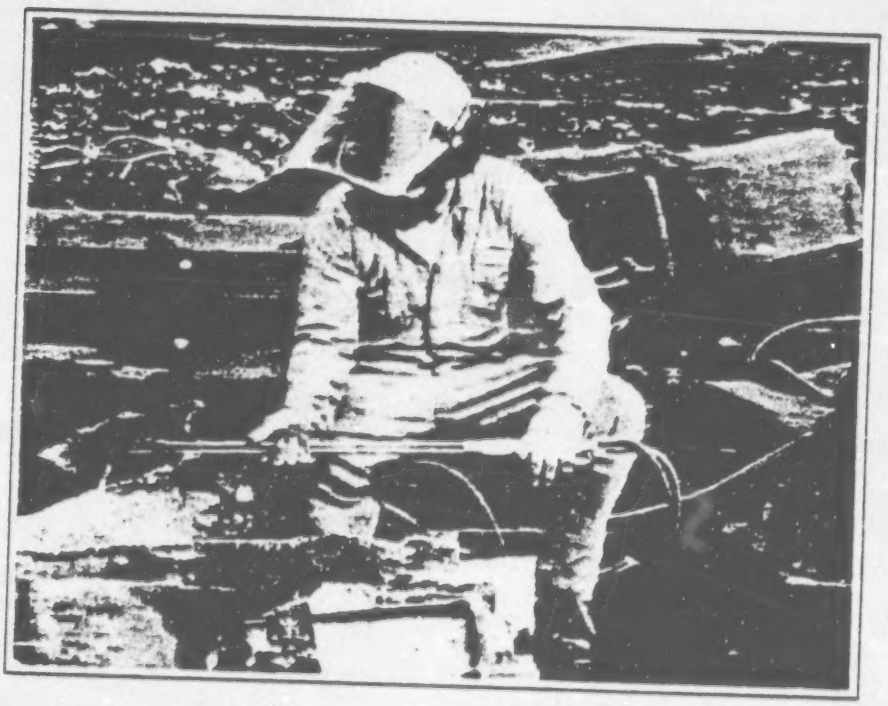
Training and Employment Division

FIRST SOURCE

Joint CETA/economic development programs such as First Source create jobs with a future for disadvantaged city residents. In the First Source program, private industry, receiving public economic development assistance and incentives, uses persons eligible for CETA as its first source of new employees.

Firms which receive some form of economic assistance from the City of Portland usually enter into a First Source agreement with the city as part of the economic development package. First Source agreements include firms with as few as four and as many as 700 employees, in a variety of fields including manufacturing, retail, food services, etc.

The city's economic development programs were created to encourage firms to remain within the city, enhancing local economic conditions. The hiring of city residents puts the unemployed back to work and teaches lifetime skills.



In First Source programs, the Training and Employment Division recruits and screens prospective employees according to criteria established by the employer, who selects new employees from among qualified applicants referred. If no qualified applicants are available after a specified period, the employer may hire any other qualified city residents.

Entry level jobs requiring less than two years of training are covered by First Source. If the agreement covers any union jobs, advance approval from the union is necessary. Every First Source agreement is negotiated individually with the firm to ensure meeting its particular training and hiring needs.

First Source benefits the employer in many ways. Prospective employees are assessed for skill levels, aptitudes and physical requirements and are given pre-employment training emphasizing work habits, attendance and attitude. The employer's training costs can be cut substantially by training workers to the firm's specifications prior to placement. Wage subsidies are available to offset the cost of on the job training. Some workers referred by the Training and Employment Division may qualify the employer for a tax credit. Some First Source agreements include specific training arrangements, with each individually tailored to the needs of the firm.

PART III: TARGETING BUSINESS OPPORTUNITIES FOR SMALL, MINORITY AND WOMEN-OWNED BUSINESSES

Economic development projects frequently generate opportunities for small, minority and women-owned businesses (S/M/WBEs). Major capital investment in a new sewage treatment plant, convention center or highway for example, means numerous contracts for supplies, and expansion in employment opportunities. The capturing of spin-off business opportunities from economic development projects and the use of procurement policies, which direct contracts to S/M/WBEs, can yield immediate benefits to residents in particular, and the local economy in general. Targeting business opportunities, moreover, enhances private-public partnerships and facilitates more equitable government by benefiting a wide range of people and enterprises within the community.

MAKING S/M/WBEs PART OF YOUR TARGETING STRATEGY

An objective of the Targeted Jobs Demonstration Program was to capture spin-off business opportunities for small, minority and women-owned businesses from Federally-assisted economic development projects. John Monroe, Assistant Director of demonstration project conducted on the Blackfeet Reservation identified the central benefit of a strategy of targeting assistance to small and minority firms:

> There will be about $44 million spent on federally-funded projects on our reservation during the two-year demonstration. Of that amount, we would like to get a better portion than just working wages where you end up with cancelled check stubs. We would rather that our Indian workers, contractors, and subcontractors get a piece of the business action.

Not an idea unique to TJDP, attempts have been made in the past to redress discrimination against S/M/WBEs by reserving some portion of federal contracts for them. TJDP, however,

targeting these opportunities. Although spin-off business targeting was a secondary objective of the demonstration project and was undertaken in only a few TJDP communities, some useful lessons were learned. Channeling subcontracts and other business opportunities to S/M/WBEs enhances the local multiplier effect of economic development projects. More contracts and jobs flow to local residents and to business enterprises that might not otherwise benefit from economic development investments. As a result, the maximum feasible benefits from such projects are kept within the community.

Involving small, minority and women-owned businesses in a targeting strategy can produce three distinct benefits for your community:

- contracts to local entrepreneurs who do not usually participate in the economic development process;
- employment opportunities for local residents; and
- the enhancement of the long-term viability of the local economy.

Despite the fact that small, minority and women-owned businesses increasingly are identified as major sources of innovation and job growth, they are often overlooked during the development of city economic development strategies and projects.

The underutilization of S/M/WBEs can be rectified by targeting business opportunities to them. Frank O'Hara, who directed Portland, Maine's TJDP effort,described the situation in his community:

> The City has an economic development approach which is geared to larger businesses. There is no local development corporation, very little use of the Small Business Administration, and no technical assistance. Yet, Portland, Maine is a city of small businesses and there are not a whole lot of tools to help. Consequently, they receive few benefits from federally-funded economic development projects.

Indeed, the redistribution of benefits from economic development projects to S/M/WBEs is the most important objective of a business opportunities targeting strategy. Local government must assure that all business enterprises are afforded an equal opportunity to participate in the local economy. To do otherwise, fosters discrimination and prevents the development of entrepreneurship.

This component of a targeting strategy can also lead to jobs for the economically disadvantaged residents of your community. Certain small businesses, such as small manufacturing concerns, offer numerous entry-level positions and often need individuals who can master a variety of tasks. Small businesses, especially in older cities,also are often located in neighborhoods where commercial, industrial and residential structures exist side by side, thereby fostering direct connections between the unemployed and local employers.

Money, which might otherwise leave the community, is contained within it and circulates as wages, salaries and payments for supplies as well as money for food, clothing, shelter, and recreation. By directing contracts from economic development projects to S/M/WBEs, businesses acquire valuable experience necessary for entrepreneurs who pursue business opportunities in the private or public sectors. Thus a business targeting strategy can contribute to the overall economic health of the community because small businesses diversify the economy and help it weather economic cycles.

GETTING STARTED

The development of a targeting strategy for S/M/WBEs can best be accomplished when the following conditions exist:

- support from the political environment;
- expertise in relevant agencies and capable professional staff;
- participation from the business community; and,
- a clear and carefully developed procedure for assisting S/M/WBEs.

A Supportive Political Environment. The success of your targeting strategy depends, in large part, upon the support of elected officials, particularly the mayor, and high-level administrators who determine economic development policy. These individuals must be aware of the benefits of aiding S/M/WBEs, open to considering their special needs, and willing to encourage senior and middle-level administrators to act accordingly.

Two observations from our case studies of Seattle, Washington and Lynn, Massachusetts describe the support of elected officials for strategies designed to aid small and minority businesses. In Seattle our Field Research Associate observed:

> Elected officials in Seattle are genuinely committed to enhancing business opportunities for small business, especially women and minority-owned businesses. They recognize the contribution this segment of the local economy makes to the city's tax revenues, job creation, and the kinds of services available to residents of the city. The Mayor and City Council have supported a number of efforts to provide information on government contracting procedures, to reduce onerous procedures for doing business with the city, and to provide technical assistance to small businesses. Most important, they have taken steps to ensure that women and minority-owned businesses get an increasing share of the business generated through city contracts.

Writing about Lynn, Massachusetts, our TJDP staff member noted:

> The political climate in Lynn is very supportive of governmental efforts to assist small and minority-owned firms. This is especially true for small businesses generally, which are considered a vital part of the Lynn economy. The Mayor's stress on economic development has put governmental assistance to small firms near the top of the local political agenda. Administrators and elected officials agree

that the economic vitality of the city is highly dependent on the health of the small business community.

Expertise in Relevant Agencies and a Capable Staff. The targeting strategy must include talented and committed staff from economic development and business assistance agencies. These professionals must recognize the importance and value of S/M/WBEs, work cooperatively with relevant agencies, and commit their staff time and other assistance to the endeavor. Staff responsible for the S/M/WBE component should fully understand the needs of small, minority and women-owned business enterprises, be capable of working with business and agency representatives, and be energetic in pursuing more equitable business opportunities.

Participation from the Business Community. Participation by the broader business community thrcugh private-public partnerships is also essential for an effective targeting strategy. The identification of S/M/WBEs and matching them with appropriate spin-off business opportunities will be facilitated by early contact with leading segments in the entire business community.

A Carefully Developed Procedure. Implementation of a targeting strategy should not proceed until a carefully crafted procedure exists for including S/M/WBEs. Government agencies must be prepared to assist small, minority and women-owned business enterprises that are unable to undertake contracts immediately because of financial or managerial deficiencies.

APPROACHES TO TARGETING BUSINESS OPPORTUNITIES

Targeting business opportunities created by economic development projects to small, minority, and women-owned businesses can occur in two ways:

1. *negotiating "spin-off" business opportunities for S/M/WBEs during the planning and implementation of an economic development project; or*

2. *establishing a procurement policy through local laws and regulations which "sets aside" a percentage of governmental contracts for S/M/WBEs.*

1. Negotiating Spin-off Business Opportunities

Government is involved either solely or in conjunction with the private sector in a multitude of economic development projects that produce spin-off business opportunities. The developer of a major publicly-assisted construction project might agree to let a sub-contract for paving blocks in a transit plaza. Or, an Urban Development Action Grant (UDAG) might be awarded to a developer of a hotel, with the agreement that linen and food contracts be made available to S/M/WBEs. The governmental agency itself might require that a consulting contract, such as a feasibility study of a new treatment plant, be shared among a number of firms. The city government might provide land write-downs and subsidized loans for the construction of a shopping mall and negotiate with the developer to give preference to local small, minority and women-owned retail establishments when space is leased. Spin-off business opportunities are important to S/M/WBEs because they provide entry and access to both the private and public sectors, and serve to build capital investments, augment managerial experience and generate local jobs.

To target spin-off business opportunities, designated staff of the local government must negotiate with developers to identify the number and types of business opportunities to be created and to establish procedures and agreements that reserve some portion of them for S/M/WBEs. Many of the procedures, discussed in the previous section, that were developed for

of them for S/M/WBEs. Early intervention in the economic development process by the "ombudsman" for small, minority and women-owned businesses and a thorough understanding of the economic development projects are a prerequisite for effective business targeting.

San Antonio, Texas. As part of its Targeted Jobs Demonstration Project, San Antonio successfully negotiated spin-off business opportunities. The Mexican American Unity Council (MAUC), a partner in the demonstration project, was directly involved in an economic development project as a financial participant in the development of a hotel. Using the leverage afforded by its equity position, MAUC convinced the operator of the hotel to provide several spin-off business opportunities, including construction subcontracts for six minority subcontractors, hotel retail space for five minority retailers, and contracts for hotel equipment and furnishings for which fifteen S/M/WBEs submitted bids. The Mexican American Unity Council also conducted surveys of local S/M/WBEs, held information meetings, advised them of the forthcoming business opportunities and provided assistance in submitting bids and proposals. San Antonio's staff "marketed" the business opportunities after they obtained commitments from the principal actors.

Seattle, Washington. The City of Seattle negotiated spin-off business opportunities in a different fashion. Relying on a city ordinance that requires minimum levels of W/MBE participation in most city contracts, the staff of Seattle's Targeted Jobs Demonstration Project attempted to apply the requirements in the ordinance to Federally-assisted economic development projects. Although the projects have been delayed and two may not receive city or federal assistance W/MBE participation levels were negotiated for

three projects. The goal of the staff was to use the ordinance as a rationale for engaging in front-end negotiations with the developers. Unfortunately, the ordinance was unclear as to whether Federally-assisted projects are to be included and was therefore a weak basis for negotiation.

Blackfeet Tribe, Montana. In Montana, a similar situation existed on the Indian reservations where the demonstration project took place. The Civil Rights Act of 1964 permits Indian preference in employment on Federally-funded projects located on Indian reservations. Tribal Employment Rights Offices have extended this federal process through a tribal ordinance to business subcontracts. Consequently, the Targeted Jobs Demonstration staff was able to negotiate legitimately with contractors (almost all of whom were receiving federal assistance) for business opportunities for Indian contractors. TJDP staff identified many spin-off business opportunities and worked with Indian contractors to assemble bid proposals and to manage their contracts. A number of construction subcontracts on housing and oil exploration projects were obtained through the efforts of TJDP staff

Portland, Maine. The TJDP project in Portland, Maine also undertook several business targeting efforts, but was less successful. Some of their problems, however, illustrate an important point in negotiating and fulfilling spin-off business opportunities. Owners of the city's airport gift shop were asked about the possibility of stocking items produced by local craftspeople. As the gift shop owners were willing, it remained only for the TJDP staff to locate craftspeople and put them in contact with the gift shop. Frank O'Hara of Portland, Maine's TJDP staff recalled that this was no easy task:

> The identification of a spin-off business opportunity is only the first of a lot of steps. One problem that we had in a lot of cases is identifying the entrepreneur. Who is the person you are notifying?

venture demonstrates the need to identify the local S/M/WBEs prior to negotiations and to include in any targeting strategy various types of business assistance that will help S/M/WBEs take advantage of negotiated opportunities.

2. Procurement Policies

A second major procedure for directing business opportunities to small, minority and women-owned enterprises utilizes government regulations that mandate "preferential" treatment for such firms. Federal, state, county and municipal governments purchase a variety of goods and services from the private sector ranging from office stationary to legal advice to catering services to construction contracts. Therefore, governments can provide numerous business opportunities for small, minority and women-owned business enterprises. While not solely confined to economic development projects, affirmative action plans and ordinances can be utilized in negotiations for these projects, particularly when the project receives some form of financial assistance or other form of aid such as site preparation, zoning changes or tax abatements from the city government.

The general strategy for implementing the procurement approach is to enact local ordinances that set-aside a fixed percentage of local governmental contracts for small, minority and women-owned businesses. In order to be effective, a procurement strategy must also include an administrative procedure for identifying and listing S/M/WBEs, communicating with them, providing assistance in meeting contract procedures, and monitoring the process. This may require full-time staff located in the purchasing department or equal opportunity agency of the local government. Among

the TJDP sites, Seattle and San Antonio had the most well-established S/M/WBE procurement strategies.

Seattle, Washington. Utilizing a 1977 mayoral policy statement, a city ordinance, and the city's Human Rights Department and Office of Women's Rights, Seattle required all city agencies, as well as prime contractors doing business with the city, to solicit bids from minority and women-owned businesses. Annual goals were established (the current minimum participation levels are 15 percent for minority and 3 percent for women-owned businesses) in each construction or consultant contract over specified dollar thresholds as defined by a 1980 city ordinance (See Attachment III-A). Each city agency or prime contractor signed a compliance statement (See Attachment III-B). Staff developed a resource file of S/M/WBEs, provided technical assistance, held conferences and workshops in procurement issues, and served as liaison between the S/M/WBEs and the city agency or prime contractor.

San Antonio, Texas. San Antonio's city council established an S/MBE program in the Department of Equal Employment Opportunity in 1979. Working with the Departments of Purchasing/Central Supply and Public Works, the equal opportunity staff reviewed bid and bond requirements, assured that S/MBEs were solicited, conducted pre-bid conferences, and monitored contract utilization of S/MBEs. The process was established through memoranda of understanding signed by each of the participating agencies (See Attachment III-C). According to George Johnson of the city's Equal Employment Opportunity Department:

> In San Antonio, we took the position that the TJDP emphasis on creating goals or set-asides for minority and women-owned businesses should apply to all contracts the city lets. So we didn't just look at our federal contracts. We felt that the concept ought to apply across the board and it has--from our professional service contracts to construction, as well as procurement.

The city's affirmative action plan enabled the staff to encourage prime contractors to utilize minority sub-contractors. While generally directed at equal employment opportunities for the city's ethnic and racial minorities and enhancing the representation of women in the city government's labor force, the affirmative action plan also included a small and/or minority business enterprise program. Its purpose was to increase minority business utilization in the awarding of city contracts for professional services, construction and procurement. Under the program, technical assistance was also provided to S/M/WBEs. (A more detailed description of San Antonio's Small and Minority Business Enterprise program is presented in Attachment III-D).

Designing a Strategy

Effective targeting of business opportunities for small, minority and women-owned businesses requires the development of a coherent strategy. Each community must establish its goals, select the appropriate mix of activities, implement those activities and evaluate the consequences. Below, we have presented a brief summary of an effective business targeting strategy. You may have no need for some of these steps, or choose to elaborate on others. Or, you may wish to modify the suggested sequence. It is also likely that

you will perform a number of these tasks simultaneously or go back and forth between them.

STEP 1. A SMALL AND MINORITY BUSINESS ASSISTANCE POLICY

Work with your local governing councils and boards to develop set-aside procurement policies for both local government purchases and Federally-funded economic development projects. This may include encouraging agencies to modify their insurance and bonding requirements, simplify bid procedures, actively solicit S/M/WBEs, and monitor contract compliance.

STEP 2. IDENTIFY RELEVANT S/M/WBEs

Through contacts with governmental agencies, local business organizations, and community directories, identify the small, minority, and women-owned businesses in your community. "Advertisements" and workshops announcing the availability of various business opportunities are often useful methods. As S/M/WBEs are identified, contact those that are interested in participating and ascertain their capabilities for the anticipated business opportunities.

STEP 3. IDENTIFY ECONOMIC DEVELOPMENT PROJECTS

Contact the relevant local agencies--the economic development agency and the planning agency may be sufficient--to ascertain the proposed and current economic development projects in your community. Assess the stage of development of each project: under consideration, negotiations underway, contracts signed, under construction and near completion. Be aware that these projects evolve over a number of years and require a concerted effort by staff to remain informed as to their progress.

STEP 4. IDENTIFY SPIN-OFF BUSINESS OPPORTUNITIES

For each economic development project, assess the spin-off business opportunities available to S/M/WBEs. Divide them into construction contracts, supply and service contracts and retail opportunities so that you can contact the relevant S/M/WBEs. This may require extensive discussions with both economic development specialists and with project developers.

STEP 5. DEVELOP A NEGOTIATION STRATEGY

Devise a strategy for pursuing spin-off business opportunities and set priorities on the types of projects and the types of business opportunities that will be beneficial to S/M/WBEs, taking into account the stage of development of each economic development project. For each project of interest, bring together the major actors to identify which business oppor-

tunities might be "assigned" to S/M/WBEs. The earlier in the project that negotiation occurs, the more effective it will be. Moreover, negotiations must be firm, and all parties must understand the nature of agreements.

STEP 6: PROVIDE BUSINESS ASSISTANCE TO S/M/WBEs

For those S/M/WBEs that need assistance in responding to or successfully completing business opportunities, develop technical assistance activities either by contacting local, regional or state public agencies or private consulting firms, or by hiring trained staff to provide this assistance. You may want to provide assistance on an individual basis, as the need arises, or run workshops geared towards the more general problems that S/M/WBEs encounter.

STEP 7: LINK S/M/WBEs WITH BUSINESS OPPORTUNITIES

Work with the key decision-makers in the economic development process to select S/M/WBEs for the appropriate business opportunities and to sign contracts. Selection is likely to take the form of a formalized bidding and certification process.

STEP 8: MONITOR AND EVALUATE THE RESULTS

Develop an information and management system that will:

- *identify and track economic development projects;*
- *identify and contact S/M/WBEs; and,*
- *assess the performance of S/M/WBEs that obtain spin-off business opportunities.*

CONCLUSION

Targeting business opportunities to small, minority and women-owned business enterprises is a difficult and time consuming task. But without such an effort, many business opportunities that arise from federally-funded economic development projects and from local government may be lost to your community. Even more important, this strategy is essential to redress past and present discrimination against small, minority and women-owned businesses. More active and more equitable participation of S/M/WBEs in the overall economic development process will enhance the business environment and improve the quality of life in your community.

ATTACHMENT III-A

ORDINANCE 109113
City of Seattle

AN ORDINANCE relating to the procurement of goods and services by the City of Seattle from women's business enterprises and minority business enterprises, establishing requirements for ensuring full and equitable opportunities for such businesses to provide goods and services to the City, and providing procedures and penalties to enforce compliance.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. SHORT TITLE. This ordinance shall be entitled the "Women's and Minority Business Utilization Ordinance" and may be cited as "the WMBE Ordinance."

Section 2. FINDINGS. Upon full consideration of all relevant facts, the City Council hereby finds that:

(A) Past societal discrimination, the City's overall contracting process, difficulties in the financing and bonding market, and problems obtaining credit and insurance, have had the effect of underutilization of women's business enterprises and minority business enterprises in contracts awarded by the City of Seattle, and have contributed to the underdevelopment of such businesses;

(B) As a result of this past discrimination against women's business enterprises and minority business enterprises, women and minorities have been deprived by numerous employment opportunities;

(C) It is in the best interests of the City of Seattle to promote the equitable utilization of women's business enterprises and minority business enterprises in City contracting; and

(D) The requirements of this ordinance are necessary to overcome the present effects of discrimination, and are designed to achieve the goal of equitable utilization of women's business enterprises and minority business enterprises, while at the same time maintaining a high quality of goods and services provided to the City through competitive bidding as required by State law and the City Charter.

Section 3. DECLARATION OF POLICY. It is the policy of the City of Seattle to ensure the full and equitable participation by women's business enterprises and minority business enterprises in the provision of goods and services to the City on a contractual basis. The ultimate goal of this ordinance is to increase the use of women's business enterprises and minority business enterprises above the present low level to a level "more comparable to" the representation of women and minorities in the population.

ATTACHMENT III-A (continued)

Section 4. SCOPE. The provisions of this ordinance shall apply to all contracts awarded by the City and services utilized by the City except as may be hereinafter specifically exempted, and shall be liberally construed for accomplishment of its policies and purposes.

Section 7. UTILIZATION GOALS

(A) Except as provided in Section 7(C), below, the Mayor, with the advice of the Director and contract awarding authorities, shall establish separate City-wide annual goals for the utilization of women's business enterprises and for the utilization of minority business enterprises. These goals shall be expressed in terms of a percentage of the total dollar value of all contracts to be awarded by the City, and may be established separately for categories of contracting such as public works, consultant, concession and purchasing contracts. Goals shall be reasonably achievable, and shall be based upon factors such as:

1. the level of participation of women's business enterprises and minority business enterprises on past contracts awarded by the City which have contained minority business enterprise requirements;

2. the level of participation of women's business enterprises and minority business enterprises on contracts awarded by other governmental agencies in the Seattle area which have utilized women's business enterprise and minority business enterprise requirements;

3. the availability of women's business enterprises and minority business enterprises which are capable of providing goods and services to the City; and,

4. the degree to which such annual goals will contribute to the achievement of the ultimate goal as set forth in Section 3 of this ordinance.

The City-wide annual goal shall be not less than fifteen percent (15%) for minority business enterprises and not less than three percent (3%) for women's business enterprises.

(B) Except as provided in Section 7(C), below, the Mayor, with the advice of the Director and each contract awarding authority, shall establish separate annual goals for utilization of women's business enterprises and minority business enterprises by that awarding authority; these goals shall be expressed as a percentage of the total dollar value of all contracts to be awarded by the contract awarding authority, and may be established separately by contract category; they shall equal or exceed the City-wide annual goals.

(C) Because of the insufficiency of current information regarding the availability of women's business enterprises, and where necessary to ensure that goals for the utilization of such businesses are reasonably achievable, the Mayor with the advice of the Office of Women's Rights and the Director, may study the availability of women's business enterprises for City contracting prior to establishing the utilization goals required by Section 7 of this ordinance. Such goals shall be established in any event no later than one year following the effective date of this ordinance.

ATTACHMENT III-B

SWORN STATEMENT FOR COMPLIANCE WITH
W/MBE ORDINANCE 109113, SEATTLE WASHINGTON

The Undersigned, being first duly sworn, on oath states on behalf of the proposer as follows:

A. Proposer hereby designates _____
Name

_____
Title

as the person who has been charged with the responsibility for securing compliance with Ordinance 109113.

B. Proposer will cooperate fully with the Seattle Department of Human Rights while complying with the requirements set forth in Ordinance 109113. The Seattle Department of Human Rights will be kept fully informed, through required reporting documents, of all actions taken in compliance with Ordinance 109113.

_____ _____
Proposer Company Name

_____ _____
Phone Number Company Address

By_____ _____
Title

Subscribed and sworn to before me this_____day of_____, 19____. Notary Public in and for the State of Washington residing at _____.

ATTACHMENT III-C

MEMORANDUM OF UNDERSTANDING
UNDER THE TARGETED JOBS DEMONSTRATION PROGRAM
FOR THE OPERATION OF
THE SMALL AND/OR MINORITY BUSINESS ENTERPRISE PROGRAM
CITY OF SAN ANTONIO

The Small and/or Minority Business Enterprise (SMBE) Program will be operated by the City of San Antonio's Department of Equal Employment Opportunity (EEO). The Department of Economic & Employment Development (DEED) will administer the Targeted Jobs Demonstration Program (TJDP) Grant.

The SMBE Program is intended to increase the participation of small and/or minority businesses in the City's awarding of contracts for procurement, professional services and construction. The SMBE Program shall provide a comprehensive strategy for achieving this purpose to include the establishment of goals; development of information, record keeping and monitoring; outreach and technical assistance programs; and special provisions for encouraging the use of minority sub-contractors. To help achieve the goals and objectives set forth in the City's SMBE Program and in compliance with the TJDP Assistance Award, this Memorandum is executed.

1. Staff in the Department of Equal Employment Opportunity will perform, implement and/or monitor the following tasks:

   A. Compile and maintain data indicating each department's progress toward achieving goals applicable to them in each specific contract.

   B. Insure that the degree of goal attainment of minority/majority joint ventures and minority contractors is recorded in direct proportion to the participation of the minority partner.

   C. Develop reports from information provided by City departments and contractors to monitor and determine the effectiveness of the SMBE Program.

   D. Annually report the progress of the SMBE Program to the City Council through the City Manager, and also recommend annual overall goals and program changes which may be necessary to improve the overall effectiveness of the SMBE Program.

   E. Seek to enforce and administer such policies, standards, definitions, criteria and procedures to govern the implementation, interpretations and application of this program in a manner as may be necessary to achieve its purposes, including on-site monitoring.

ATTACHMENT III-D

EQUAL EMPLOYMENT OPPORTUNITY AFFIRMATIVE ACTION PLAN OF
THE CITY OF SAN ANTONIO, JUNE, 1982.

SECTION VIII. SMALL AND/OR MINORITY BUSINESS ENTERPRISE PROGRAM

It is the policy of the City of San Antonio that Small and/or Minority Business Enterprises shall have the maximum practicable opportunity to participate in the awarding of City contracts. The City's Small and/or Minority Business Enterprise (SMBE) Program was originally adopted by City Council Ordinance No. 51955 on March 13, 1980.

It is the purpose of the SMBE Program to increase minority business enterprise utilization in the awarding of City contracts for Professional Services, Construction and Procurement; and to better assist small business enterprises in competitively bidding on City projects or procurement of supplies and equipment. The program shall also assist business enterprises owned and controlled by women, and business enterprises owned and controlled by handicapped individuals.

The SMBE Program has operated as a separate activity within the Equal Employment Opportunity Department since September, 1981, when it received funding through a grant from the U.S. Department of Housing and Urban Development for full implementation. Prior to this, the SMBE Program had functioned as a part of the assigned duties delegated to the Affirmative Action Component within the Equal Employment Opportunity Department. In order to effectively implement the SMBE Program, the EEO Department coordinates with other City departments such as Purchasing, Public Works, Economic and Employment Development and Legal who have direct and indirect responsibilities for implementing various aspects of the SMBE Program.

The Public Works and Purchasing Departments have specific responsibilities since they administer the Professional Services, Construction and Procurement (Purchasing Department) contracts. Since September, 1981, these departments have established several procedures which have resulted in designing a network that better facilitates the implementation and operation of the SMBE Program. For example, the Public Works and Purchasing Departments have:

A. Attended conferences which provide an opportunity to exchange ideas and information with potential bidders.

B. Coordinated and assisted external resource agencies in obtaining bid documents, plans and specifications.

C. Revised bid forms to facilitate maximum SMBE participation.

D. Appointed liaisons in each respective department to assist in distributing bidding information, general information and other services as necessary.

E. Developed advertisements for use in T.V. and newspaper media.

It is the City's intent to implement a program that ensures that small and/or minority contractors and vendors have an equitable opportunity to participate in the awarding of City contracts and to institutionalize the program into existing public and private systems, in order to surpass the duration of the TJDP grant. The City anticipates having full implementation of this program by the end of the grant period (September 30, 1982). The City of San Antonio's SMBE Program is incorporated in this Affirmative Action Plan as Addendum I.

In accordance with Section VII of the City's SMBE Program, a committee consisting of the Directors of EEO, DEED and Public Works convenes to establish recommended minority business enterprise utilization goals for Construction and Professional Services contracts. Similarly, the Directors of EEO, DEED and Purchasing convene to establish recommended minority business enterprise utilization goals in the procurement (Purchasing) area. Since the established FY '82 goals became official and effective after City Council's adoption of last year's Affirmative Action Plan (November, 1981), an insufficient amount of time has been afforded to appraise the achievement of these goals. Therefors, the City will retain the goals established last year in the Construction and Professional Services contracts: (1) 11-14% of the total dollar amount of Construction contracts to be awarded to MBE firms. (2) 25-28% of the total dollar amount of Professional Services contracts to be awarded to MBE firms.

The continuation of these goals will allow the City to effectively evaluate SMBE Progress and make a valid determination as to its attainment of the established goals.

The City will continue its efforts to develop valid data with which to base MBE utilization goals for contracts in the purchasing area. The City will continue to monitor and examine all purchasing MBE data sources in an attempt to identify, determine and consider all information for the establishment of MBE utilization goals.

The SMBE goals in this Plan will become official and effective immediately after City Council's adoption of the Plan.

In addition to the Nondiscrimination Clause in Section VII above, the following SMBE Clause will apply to all vendors providing supplies or equipment of $3,000 or more, and to all contractors having Construction or Professional Services contracts of $10,000 or more:

SMALL AND/OR MINORITY BUSINESS ENTERPRISE CLAUSE

1. It is the policy of the City of San Antonio that small and/or minority business enterprises shall have the maximym practicable opportunity to participate in the awarding of City contracts.

2. The Contractor agrees to use its best efforts to carry out this policy through award of subcontracts to small and/or minority business enterprises to the fullest extent consistent with the efficient performance of this contract, and/or the utilization of SMBE suppliers where feasible.

3. The Contractor shall maintain records showing: (a) subcontract awards to minority business enterprises; (b) specific efforts to identify and award contracts to minority business enterprises.

4. The Contractor shall submit periodic reports of subcontracts to minority business enterprises in such form and manner and at such time as the City of San Antonio shall prescribe and shall provide access to books, records and accounts to authorized officials of the City, State or Federal agencies for the purpose of verifying good-faith efforts to carry out this SMBE policy.

5. The Contractor shall appoint a high level official to administer and coordinate the Contractor's efforts to carry out this SMBE policy.

6. If the contract is for Construction or Professional Services of $10,000 or more but less than $200,000, the Contractor shall submit an Affirmative Action Plan for equal employment opportunity and properly completed SMBE Certification form(s). The Affirmative Action Plan must include the SMBE Certification form(s) for the Contractor and all subcontractors. The Affirmative Action Plan must be approved by the City's Department of Equal Employment Opportunity prior to the award of the contract.

7. If the contract is for Construction or Professional Services of $200,000 or more, the Contractor shall submit an Affirmative Action Plan for equal employment opportunity and properly completed SMBE Certification form(s). Additionally, the Affirmative Action Plan must address specific minority business enterprise utilization goals, based on those prescribed for the applicable type of contract, through the submittal of the MBE Utilization Statement. The Affirmative Action Plan, to include the MBE Utilization Statement, must be approved by the City's Department of Equal Employment Opportunity prior to the award of contract.

8. If the contract is for the purchase of supplies or equipment of $3,000 or more, the Vendor (Contractor) shall, by bid submittal, specifically agree to all applicable provisions of the Nondiscrimination and SMBE Clauses. The Vendor (Contractor) shall be required to submit a properly completed Purchasing Certification Form 100 or complete the SMBE Questionnaire section in the bid document. The Certification must be reviewed and approved by the City's Department of Equal Employment Opportunity at or subsequent to the award of the contract.

9. In the event of the Contractor's failure or refusal to comply with this SMBE Clause, either during the bidding process or at any time during the term of the contract, this contract may be cancelled, terminated or suspended in whole or in part, and the Contractor may be debarred from further contracts with the City of San Antonio.

APPENDIX A: LIST OF PEOPLE TO CONTACT IN THE FOURTEEN TARGETED JOBS DEMONSTRATION PROGRAM COMMUNITIES

TARGETED JOBS DEMONSTRATION PROGRAM SITES

TJDP Sites (1980 Population)	Number of Positions and Organizational Location	Contact Person
Buffalo/Erie County,NY (357,870)	1 position in Buffalo/ Erie County PIC 2 positions in Div. of Community Development	James Bratek Director of Operations Buffalo & Erie County Private Industry Council 170 Franklin Street-Suite 300 Crosby Building Buffalo, New York 14202 (716) 856-8705
Genesee County, MI (450,449)	3/4 position in Genesee-Flint CETA consortium 2 positions in Genesee County Metropolitan Planning Commission Employees in Genesee County Economic Development Div. and Flint Comm. are paid for time devoted to TJDP	Julia Chase, Community Development Liaison Official Genesee County Comm. Development Program Genesee County Planning Commission 1101 Beach Street Flint, Michigan 48502 (313) 257-3010
Lynn, MA (78,299)	All staff with Lynn office of Economic Development (OED) 2 positions located at TJDP Div. offices	Robert Baker, Executive Director of Lynn Office of Economic Development 598 Essex Street Lynn, Massachusetts 01901 (617) 592-2361
Metcalfe, MS (1,350)	3 positions in the Mississippi Action for Community Education Headquarters/Greenville 2 positions in Metcalfe City Hall	Michael Ward TJDP Project Director Mississippi Action for Community Education 121 S. Harvey Street Greenville, Mississippi 38701 (601) 335-3523
Milwaukee, WI (633,000)	1/2 position in Milwaukee PIC 1 position in Metropolitan Milwaukee Assoc. 1 position in Milwaukee Dept. of City Development	Edward Ward, Attorney (former Private Industry Council president) 2222 East Belleview Milwaukee, WI 53211 (414-961-0678)

TARGETED JOBS DEMONSTRATION PROGRAMS SITES (continued)

TJDP Sites (1980 Population)	Number of Positions and Organizational Location	Contact Person
Montanawide (Blackfeet Tribe) (25,922)	3 1/2 positions with Montana TJDP Inc.	John Monroe, Acting Executive Director Blackfeet Native American Program Box 1379 Browning, Montana 59417 (406) 338-5525
New York City, New York (7,071,030)	2 positions with NYC-PIC: 1 position located at PIC and 1 position located at Economic Capital Corp.	Dan Donovan, Vice President for Program Development, Private Industry Council 19 Rector Street - 10th Floor New York, New York 10006 (212) 742-1000
Paterson, NJ (137,970)	4 positions in Paterson PIC	Francine Mefford, Project Director, Private Industry Council 100 Hamilton Plaza, Suite 1201 Paterson, New Jersey 07500 (201) 279-8737
Philadelphia, PA (1,751,780)	3 positions in Philadelphia PIC	Robin Howard Widing, Manager of Economic Development Private Industry Council 100 South Broad Street, Suite 1100 Philadelphia, Pennsylvania 19110 (215) 567-7792
Portland, ME (61,530)	3 1/2 positions in Portland Employment & Training Dept. Health & Social Services Dept. 1/2 position in City's fiscal dept.	Terri Ann Lunt-Aucoin, Director Dept. of Health and Human Services City of Portland City Hall Portland, Maine 04100 (207) 775-5451
Portland, OR (366,000)	3 positions in Portland, PIC	David Rhys Employment Services Supervisor Job Development Division Employer Services Department 1120 Southwest 5th Avenue 4th Floor Portland, Oregon 97204 (503) 796-5202

TARGETED JOBS DEMONSTATION PROGRAM SITES (continued)

TJDP Sites (1980 Population)	Number of Positions and Organizational Location	Contact Person
San Antonio, TX (785,410)	1 position in City Dept. of Equal Opportunity 1 position in City Dept. of Purchasing 1/2 position in City Dept. of Employment and Economic Development	Mario Trevino Department of Equal Employment Opportunity City of San Antonio P.O. Box 9066 San Antonio, Texas 78285 (512) 299-8420
Seattle, WA (493,846)	2 1/2 positions in City Dept. of Community Dev.	Carol Nelson, Program Coordinator Development Division Department of Community Development 400 Yesler Seattle, Washington, 98104 (206) 625-4530
Wilmington, DE (75,000)	2 positions in City Dept. of Economic Development	Larry Liggett, Assistant Planning Director Office of Planning City/County Building 800 French Street Wilmington, Delaware 19801 (302) 571-4118

APPENDIX B: LIST OF TJDP EVALUATION REPORTS

1.	The First Targeted Jobs Demonstration Program Conference, Washington, D.C.: A Summary of Conference Proceedings	December 1980
2.	A Proposed Evaluation Strategy for the Targeted Jobs Demonstration Program Evaluation	March 1981
3.	A Summary of the First Round TJDP Evaluation Reports	July 1981
4.	TJDP Evaluation: First Round Reports on the Fourteen Demonstration Sites	July 1981
5.	TJDP Bulletin	August 1981
6.	FYI #1: TJDP Evaluation	August 1981
7.	The Second Targeted Jobs Demonstration Program Conference, Washington, D.C.: A Summary of Conference Proceedings	September 1981
8.	TJDP Bulletin	September 1981
9.	FYI #2: TJDP Evaluation	September 1981
10.	Coordinating Economic, Community and Small and Minority Business Development with Employment and Training Programs: An Essay, Annotated Bibliography and List of Related Readings	November 1981
11.	A Summary of the Second Round TJDP Evaluation Reports, Volume I: Overview and Analysis, Volume II: The Demonstration Sites	January 1982
12.	TJDP Bulletin	February 1982
13.	FYI #3: TJDP Evaluation	February 1982
14.	Developing Effective Job Targeting Strategies	June 1982
15.	Case Studies of the Targeted Jobs Demonstration Program in Fourteen Sites	December 1982
16.	A Comparative Analysis of the Targeted Jobs Demonstration Program Sites	December 1982
17.	Economic Development Projects and Jobs: Lessons from the Targeted Jobs Demonstration Program	1983
18.	An Evaluation of the Targeted Jobs Demonstration Program	1983